



Daily Report

East Asia

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Japan

GATT Delay Gives 'Time To Handle Pressure'

OW1912080892 Tokyo KYODO in English 0732 GMT
19 Dec 92

[Text] Geneva, Dec. 19 KYODO—The Uruguay Round of trade negotiations for freer world trade will enter its seventh year in 1993 with no clear view of a successful conclusion, providing Japan more time to handle pressure to open its rice market.

The Trade Negotiations Committee (TNC) of the 105-nation General Agreement on Tariffs and Trade (GATT) decided Friday to wrap up the drawn-out talks by March next year.

Sources close to the negotiations, however, said the talks will drag on beyond March in view of slow progress over several key issues, despite a settlement reached between the United States and the European community over farm trade.

GATT Director General Arthur Dunkel has set the next meeting of the committee for January 15, saying, "It is essential that the TNC be called at regular intervals to take stock of the overall situation."

Still pending are such issues as lowering tariffs on mining and industrial products and promotion of service trade as well as the protection of intellectual property.

Japanese delegation sources said negotiating parties remained widely apart on the issues.

The main areas of interest for the United States and Europe are the lowering of tariffs on industrial products and service trade rather than farm produce, sources well versed in U.S. trade policies said.

Dunkel called on negotiators to overcome barriers one by one so the talks will arrive at a successful conclusion early next year.

Watanabe Expresses Flexible Attitude Toward Rice

OW1912064792 Tokyo KYODO in English 0553 GMT
19 Dec 92

[Text] Utsunomiya, Dec. 19 KYODO—Foreign Minister Michio Watanabe indicated Saturday Japan may accept a proposal to replace its rice import ban with tariffs, saying it must "avoid antagonizing the international community."

Watanabe, also deputy prime minister, made the remark at a meeting of supporters from his Tochigi constituency.

Japan has to "avoid antagonizing the world and causing its isolation (from the international community)" by rejecting the proposal to replace the ban with tariffs, he said.

Arthur Dunkel, director general of the General Agreement on Tariffs and Trade (GATT), made the proposal a year ago.

The foreign minister said he wants to lead Japan to follow "the direction of seeking to find the best way to survive by striking compromise deals with the international community."

"If (Japan) advocates fighting against the world, it would lead to another great East Asian war," he said in reference to World War II in which Japan was defeated by the allied powers.

"We should not repeat the same thing," he said. "As long as I am serving as a foreign minister, I would not (allow Japan to) wage a (trade) war with the world."

Proposal on Dealing With Clinton Administration

OW2212122592 Tokyo NHK General Television
Network in Japanese 1000 GMT 22 Dec 92

[From the "NHK News" program]

[Text] The Foreign Ministry's advisory Japanese-U.S. Economic Forum has completed a report on a 30-point proposal to deal with the new U.S. Administration led by President-elect Bill Clinton. The forum, led by former Ambassador to the United States Yoshio Ogawara and Sony Corp. Chairman Akio Morita, submitted the report to Foreign Minister Michio Watanabe.

In the report, panelists called for closer cooperation between Japan and the United States in coping with global problems, such as environmental disruption, refugees, and AIDS.

The report stresses the need to establish a Japanese-U.S. economic policy council in place of the Structural Impediments Initiative talks so that the two nations can secure the closest possible policy coordination in a broader range of fields. Also, the report notes that the two nations should have a mechanism designed to handle bilateral friction.

IRS Probes Matsushita Group's Tax Reporting

OW1812151192 Tokyo KYODO in English 1453 GMT
18 Dec 92

[Text] Tokyo, Dec. 18 KYODO—Matsushita Electric Industries Co. has admitted that it failed to report part of its fiscal 1989 earnings from exports to its U.S. sales subsidiaries and paid 770 million yen to the government in additional taxes, industry sources said Friday.

The sources said Matsushita and 10 other group companies reported lower sales to the National Tax Administration Agency, by underpricing exports to their U.S. subsidiaries.

The subsidiaries also agreed to pay additional taxes to the U.S. tax authorities, because they had reported lower earnings for two years in mid-1980s by reporting the

prices of imports from the parent company were higher than actual prices, the sources said.

The Internal Revenue Service of the United States is still investigating the Matsushita group's tax reporting practices in 1983 and 1984.

Asia Becoming 'Wary' Over China's Naval Buildup

OW2212003492 Tokyo KYODO in English 2356 GMT 21 Dec 92

["New Focus" feature by Narito Ohta; second in four-part series on the "arms race in Asia": "China's Naval Buildup Gives Asia the Jitters"]

[Text] Tokyo, Dec. 22 KYODO—Asia is becoming increasingly wary as China continues to transform its navy from a defensive coast patrolling force to an oceangoing outfit that is boosting its firepower and flexing its muscles in the western Pacific.

"China intends to convert the South China Sea into the 'All China Sea,' seeking hegemony in the region and filling the vacuum forming in the wake of the end of the cold war," said Shigeo Hiramatsu, professor at Kyorin University.

"China's growing military presence is a potential threat to Japan, which depends heavily on imports via the South China Sea," said Hiramatsu, an expert on the Chinese Navy.

A nuclear power with intercontinental ballistic missiles (ICBMs), China has 56 destroyers and frigates and 94 submarines, five of which are nuclear-powered, according to MILITARY BALANCE 1991-92, compiled by the International Institute for Strategic Studies.

Two of the destroyers have helicopters and 26 are equipped with antisubmarine rockets.

Asia's jitters about China filling a Pacific power vacuum grow as forces of the former Soviet Union withdraw from Vietnam's Cam Ranh Bay region and now the United States has closed its largest Asian naval base, Subic Bay Naval Station in the Philippines.

Trouble is feared if China seeks to enforce a number of its territorial claims, particularly over the Spratly Islands, scene of a 1988 flare-up with Vietnam.

Hiramatsu, previously a researcher at the National Institute for Defense Studies, warned armed conflict could break out if big oil deposits, estimated at 500 million to one billion barrels, are indeed found in waters around the islands—all or partly claimed by five other countries.

China announced in February a law claiming sovereignty over the Spratlys, the Paracel Islands to the north, and the Senkaku Islands held by Japan.

In May, it awarded a 25,155-square-kilometer concession for oil exploration in the South China Sea to Crestone Energy Corp. of the United States.

In addition to the territorial concerns, Hiramatsu said Japan is seemingly annoyed by China reportedly conducting oil exploration activities at the edge of an international sea lane.

The push by China into the South China Sea which Hiramatsu said began in the 1970s, resulted in its occupation of some of the Spratlys in 1988.

Taiwan, the Philippines, Malaysia, Vietnam and Brunei make claims over the chain of some 180 islets and shoals located in the southernmost part of the sea.

Hiramatsu said even though the islands are far from China, its aim is to control the waters around them, which in addition to oil are rich in natural gas and marine resources.

This year, China remodeled some shabby barracks on Yongshu reef in the Spratlys into strong, pill box-like buildings, according to a recent article in the LIBERATION ARMY DAILY.

In July, the Association of Southeast Asian Nations asked China to refrain from building up its naval forces and proposed joint development of the Spratlys.

China and Vietnam failed to settle their disputes when Chinese Premier Li Peng went to Hanoi in early December.

Li said, "China will never seek hegemony nor practice expansionism, and at the same time it is opposed to hegemony and power politics of all descriptions."

However, a Chinese official accompanying Li, said Beijing would not agree to allow an international court or arbitration to resolve the Spratlys dispute.

A Hong Kong magazine reported China is conducting test flights of Jian-9 fighter aircraft, which are more efficient than the J-8, whose combat radius of 800 kilometers does not reach the Spratlys, which are more than 1,000 kilometers from Hainan Island, China's nearest air base.

According to the 1992-1993 edition of JANE'S FIGHTING SHIPS guide, China has received eight of 22 Sukhoi-27 counterair and ground attack aircraft from Russia ordered in 1991. Their combat radius is 1,500 kilometers.

In August, China agreed with Russia to purchase another 24 SU-27s and is reportedly looking into buying MiG-31 interceptors.

Recent news reports say China also plans to purchase a 67,000-ton aircraft carrier from Ukraine. The deal, however, is believed to have been suspended due to a dispute over the price.

The U.S., worried about the collapse of the power balance between Taiwan and China as a result of China's acquisition of the SU-27s, decided in September to sell 150 F-16 fighters to Taiwan.

Hot on the heels of the U.S. announcement, France also reached an agreement to sell Taiwan 60 Mirage 2000-5 jet fighters and 1,800 missiles.

Miyazawa Congratulates ROK's Kim Yong-sam

*OW1912025292 Tokyo KYODO in English 0243 GMT
19 Dec 92*

[Text] Tokyo, Dec. 19 KYODO—Japanese Prime Minister Kiichi Miyazawa, congratulating Kim Yong-sam for his victory in South Korea's presidential election Saturday, voiced hope that they will be able to cooperate in improving relations between the two countries.

"I would like to send heartfelt congratulations to him," Miyazawa said in a statement.

Describing Japan and South Korea as "important partners in the Asia-Pacific region, which shares values of freedom and democracy," the premier said, "I hope to further Japan-South Korea ties in cooperation with the new president."

He then expressed hope that South Korea and its people will further develop and prosper under the new administration.

Miyazawa also said he sent the South Korean president-elect a congratulatory telegram noting that he hopes to see bilateral relations further strengthened under Kim's leadership.

Foreign Minister Michio Watanabe also sent his own personal congratulations to Kim, and issued a statement paying respect to the South Korean people for their efforts to hold a fair election.

Kim, the candidate from the majority Democratic Liberal Party, was projected to win the presidential race held Friday, making him South Korea's first civilian president in 32 years.

Former Prime Minister Noboru Takeshita said, "I am glad about the election of Mr. Kim, who has a long history as politician and has suffered many hard knocks."

Takeshita, chairman of the Japan-(South) Korea Parliamentarians League, said in a statement he hopes Kim would demonstrate his ability as leader by advocating relations with Japan that look to the future.

Agrees To Build Up Relations

*OW2112080292 Tokyo KYODO in English 0746 GMT
21 Dec 92*

[Text] Tokyo, Dec. 21 KYODO—Prime Minister Kiichi Miyazawa and South Korea's President-elect Kim Yong-sam agreed Monday on efforts to build up a future-oriented relationship between Japan and South Korea, Japanese officials said. Miyazawa called Kim on Monday and offered congratulations on his successful bid for the South Korean presidency.

Vows To Tackle Bilateral Issues

*OW2112100192 Tokyo KYODO in English 0917 GMT
21 Dec 92*

[Text] Tokyo, Dec. 21 KYODO—Prime Minister Kiichi Miyazawa and South Korea President-elect Kim Yong-sam vowed Monday to overcome issues such as Japan's former colonial rule of the Korean peninsula and cooperate in building a future-oriented relationship, top government spokesman Yohei Kono said.

Miyazawa telephoned congratulations to Kim two days after his election victory and said that "both Japan and South Korea face various problems, but together we need to take a forward-looking approach," Chief Cabinet Secretary Kono told a news conference.

"As two countries that share common values, I hope we can cooperate in Asia and the international community to help open a new age," Miyazawa was quoted saying.

Kim, terming Japan's 1910-1945 colonial rule over the Korean peninsula the "unfortunate past," agreed on the importance of a forward-looking relationship, said Kono.

Kim was quoted as saying he hoped to see a "turning point" in working for a new era in relations that will benefit both nations.

The two leaders agreed it is important to engage in frank exchanges, Kono said.

Kono said that the issue of World War II "comfort women" forced to work in Japanese frontline brothels is one of the main issues facing the two governments.

South Korea is also unhappy with a trade deficit with Japan that Korean analysts predict will amount to 8.4 billion dollars this year, down slightly from 8.6 billion dollars in 1991.

New LDP Faction Called 'High Stakes Gamble'

*OW1912090592 Tokyo KYODO in English 0845 GMT
19 Dec*

[“News Focus” by Jocelyn Ford]

[Text] Tokyo, Dec. 19 KYODO—Ichiro Ozawa, the mastermind behind the ruling Liberal Democratic

Party's newborn faction, has chosen a high stakes gamble in bidding farewell to the LDP's most powerful group.

Once considered a likely future leader of the now-defunct 109-member faction of former Prime Minister Noboru Takeshita, Ozawa, with former Finance Minister Tsutomu Hata, left the fold Friday and pledged to shake up the LDP-dominated political system that has guided Japan for nearly four decades.

The new 44-member group, known as Reform Forum 21, has vowed to pursue political reforms with an eye toward breaking up the ruling party to form another conservative political party, possibly with help from like-minded opposition groups, that will have a chance at shifting power from the LDP.

But analysts say Ozawa's reputation as a strong-arm powerbroker, coupled with his hawkish political views, are likely to alienate voters and impede alliances with potential political partners.

While many Japanese express a strong dissatisfaction with the current state of politics, blemished by a long succession [of] corruption scandals and face-saving parliamentary tactics, so far the Reform Forum 21 group has not aroused much excitement.

A poll published in the economic daily NIHON KEIZAI SHIMBUN the week before the faction was formally launched showed only 11 percent supported the Hata-Ozawa clique.

The other group formed by the breakup of the Takeshita faction, led by former LDP Secretary General Keizo Obuchi, a flavorless politician known as a loyal supporter of Takeshita, enjoyed support from 20 percent of the respondents.

The majority, 61 percent, said they favored neither group.

Among the LDP's six major factions, Obuchi's 62-member group ranks fourth largest and the Hata-Ozawa group fifth.

The breakup of the Takeshita faction is largely due to the fall of Shin Kanemaru, who resigned from the Diet and as LDP vice president this fall after being implicated in a political donation scandal.

Ozawa's dream is to drag policymaking out of the smoke-filled backrooms of parliament and into the public eye, and to free Japan from post-war taboos like restrictions on sending troops abroad for combat duties.

"Japanese postwar politics that developed in the cold war era symbolize the state of our society with no one expressing opinions or taking responsibility. We can't say that true democracy has developed," Ozawa told KYODO News Service in a recent interview.

During the 1990 Iraqi invasion of Kuwait, then-LDP Secretary General Ozawa tried to break this pattern by

proposing that Japanese troops be dispatched, albeit for noncombat roles, to the Persian Gulf. The suggestion was shot down.

"It is questionable whether the type of politician who expresses himself clearly can succeed in Japan," says Sachiyo Hori, a political science professor at Tohoku Fukushi University.

"Politicians who deliver clear conclusions may be understood in the West but they are not popular here," says Hori.

LDP Faction Chief Hints at Forming New Party

*OW2212062192 Tokyo KYODO in English 0527 GMT
22 Dec 92*

[Text] Tokyo, Dec. 22 KYODO—Former Finance Minister Tsutomu Hata, the head of a new faction in the ruling Liberal Democratic Party (LDP), hinted Tuesday he may launch a new political party, officials said.

They said Hata met separately with Komeito Chairman Koshiro Ishida, Democratic Socialist Party Chairman Keigo Ouchi, and Social Democratic Federation representative Satsuki Eda and told them about his faction which was inaugurated last Friday.

The officials said Ouchi told Hata it would be senseless to propose forming a new party after next general elections expected next year, and Hata replied there is a possibility his faction will act ahead of the polls.

In the meeting with Ishida, both men agreed on the need for general discussion on drastic political reform in the next ordinary Diet session slated to convene in late January, they said.

The officials said Hata and Eda agreed that the LDP and opposition parties should thoroughly debate reforming the election system in the Diet.

The 44-member Hata faction including one independent Diet member broke away from the LDP's largest faction, founded by former Prime Minister Noboru Takeshita, making it the fifth-biggest faction within the LDP.

The Takeshita faction disintegrated into two factions, one led by Hata and the other headed by former LDP Secretary General Keizo Obuchi with the remaining 62 members.

Sagawa Money Recipients Not To Be Charged

*OW2212143392 Tokyo KYODO in English 1417 GMT
22 Dec 92*

[Excerpts] Tokyo, Dec. 22 KYODO—Prosecutors announced Tuesday they have decided not to indict some 60 Diet members among whom former ruling party kingpin Shin Kanemaru allegedly distributed a 500 million yen illicit donation he received from a parcel delivery company at the center of a money-and-mob scandal.

The Tokyo District Public Prosecutors office also decided not to charge Kanemaru and his former secretary Masahisa Haibara over the distribution of the money. [passage omitted]

Takeo Takahashi, deputy chief of the Tokyo District Public Prosecutors Office, told reporters the prosecution decided not to file indictments as they could not find evidence to prove that Kanemaru or Haibara directly distributed the 500 million yen to the legislators. The evidence lacking was of a kind that would allow prosecutors to repudiate testimony by both Kanemaru and Haibara that they channelled the money to Kanemaru's political fund-raising organization, which they said then distributed the money, he said.

Takahashi said Japanese laws do not place any limitations on the amount of political donations as long as the money is distributed by politicians' fund-raising organizations. He said the prosecution had questioned Kanemaru and some 30 incumbent legislators of the faction founded by former Prime Minister Noboru Takeshita, seeking any acknowledgement of the transfer of funds stemming from the 500 million yen Sagawa donation.

Prosecutors had earlier ended their investigation after their summary indictment of Kanemaru but restarted it in a bid to trace the flow of the money in response to accusations filed by some 31,000 citizens against Kanemaru and the unidentified 60 Diet members who allegedly received some of the illicit funds.

Testifying as a sworn witness before the Diet, Haibara admitted receiving the money on Kanemaru's behalf from Hiroyasu Watanabe, dismissed president of the now-defunct Tokyo Sagawa Kyubin, before the general election in February 1990 but refused to reveal how he dispersed it, saying to do so would open him to criminal charges. Haibara had reportedly earlier told prosecutors he distributed the money to some 60 candidates from the faction running for the election.

A group of lawyers which filed the initial accusation with the prosecutors said they would lodge a complaint with the office of prosecution review, alleging that the prosecutors' decision is unlawful. Prosecutors plan to continue a probe into allegations that Kanemaru contravened laws by neglecting the legal obligation to report to tax authorities the Sagawa donation as income. However, the prosecution is unlikely to indict Kanemaru for income tax law violation, informed sources said.

Takahashi defended the prosecution's decision in late September to suspend investigations into the implication of other Diet legislators in the scandal after filing the summary indictment against Kanemaru. He said, "At the initial stage of our probe, we were also considering the issue of distribution (of the Sagawa funds) to more than 60 (legislators), but we had reached a judgment that we could never bring additional indictments (against them) after examining the issue."

In a related development, at a meeting of executives of the ruling Liberal Democratic Party, Takeshita dismissed allegations he had gained the cooperation of the leader of a crime syndicate in dissuading a rightist group from waging a smear campaign against him in 1987 when he was vying for the LDP presidency. The closed-door questioning took place for about one hour and 10 minutes at the LDP headquarters.

After the questioning, LDP officials quoted Takeshita as telling the gathering he had never solicited the collaboration of Susumu Ishii, the late boss of the Inagawa-kai, the nation's second-largest underworld crime syndicate, to force a halt to the harassment campaign by the Nihon Kominto rightist group.

Takeshita was quoted as telling the LDP gathering, "I have been embarrassed by news reports based on speculation."

"From now on I will make every effort to clarify all misunderstandings" about the matter, he said.

After the gathering, LDP Secretary General Seiroku Kajiyama told a news conference the LDP would like to put a halt to the "Takeshita issue," as the party believes suspicions over his alleged role in the Kominto incident have been cleared.

Council Warns Against Debt-Financing Bonds

OW1912070392 Tokyo KYODO in English 0625 GMT 19 Dec 92

[Text] Tokyo, Dec. 19 KYODO—A government advisory panel Saturday warned against issuing bonds to finance national debts despite unprecedentedly severe fiscal conditions.

The Fiscal System Council, which advises the finance minister, said in a statement that when the government compiles the fiscal 1993 budget it should stick to the principle of avoiding deficit-financing bonds.

The panel stressed the importance of cutting expenditures further while calling on the government to respond to urgent fiscal demand. It said the economy is in a "harsh adjustment phase".

The panel said the balance of outstanding government bonds will total 176 trillion yen at the end of fiscal 1992 with debt-servicing costs accounting for more than 20 percent of the total expenditure.

It dismissed growing calls for income tax cuts from opposition parties and businesses. It argued that income tax cuts are unlikely to be effective in stimulating consumption and may enlarge the budget deficit.

On the other hand, the panel was agreeable to increasing issues of construction bonds to finance public works projects.

The panel also said the main engine for the market economy should be the private sector and it cautioned against too much dependence on fiscal spending to prop up the economy.

"It is beyond the proper role of fiscal policy to expand spending in order to compensate for the decline in demand due to changes in the economic structures," it said.

The panel also said the revenue structure should be changed so that government revenues are not at the mercy of business cycles.

On specific outlays, the council called for restrictions on defense spending and for public works spending geared to enhance the quality of life.

Eiji Suzuki, chairman of the council, told reporters after the panel's meeting that the government needs to take fresh measures to spur private-sector vitality.

"In particular," Suzuki said, "such measures should focus on housing, such as urban redevelopment and new town construction projects.

"The 10.7-trillion yen pump-priming package (adopted in late August) is not enough to keep the nation's annual GNP unchanged at about 400 trillion yen," he said.

MOF Adopts FY93 Tax Reform Platform 20 Dec

OW2012113692 Tokyo KYODO in English 1121 GMT 20 Dec 92

[Text] Tokyo, Dec. 20 KYODO—The Ministry of Finance [MOF] on Sunday evening adopted a tax reform blueprint for fiscal 1993 which calls for, among other things, raising the tax-exempt ceiling on savings for the elderly by 500,000 yen to 3.5 million yen, officials said.

This is in line with recommendations made by the Liberal Democratic Party's Tax System Research Council last Thursday.

The officials said that starting in January 1994, the maximum savings to which special tax exemptions apply should be raised to 3.5 million yen each for bank deposits, postal savings and public bond holdings—a total of 10.5 million yen—from the current 3 million yen, which allows a total of 9 million yen.

At the same time, the tax-exempt ceiling on savings for property-accumulation housing and pension savings will be raised by 500,000 yen each to 5.5 million yen, effective January 1994.

The fiscal 1993 tax reform platform also calls for a revival of special tax incentives for house owners who want to buy a new, higher-priced house by selling their current one.

The incentives were abolished in April 1988 amid criticism that the system fueled inflation in land prices.

The revived incentives, however, require home owners to have lived in their house for 10 years or longer and that the selling price of their current house must not be higher than 100 million yen, the ministry officials said.

In addition, the tax reform blueprint calls for imposing heavier taxes on debt-ridden companies and streamlining special taxation measures.

The measures as outlined in the ministry's blueprint will boost the government tax revenues for fiscal 1993 by 79 billion yen, the officials said.

Tokyo Considering Review of Plutonium Shipments

OW2112130692 Tokyo NHK General Television Network in Japanese 1000 GMT 21 Dec 92

[From the "NHK News" program]

[Text] A top Foreign Ministry official has suggested that the government might possibly review the way plutonium is transported to Japan after the Akatsuki Maru, Japan's plutonium-carrying vessel, completes its voyage from France. The Akatsuki Maru is currently on its way to Japan with a cargo of plutonium.

The official noted that, although the Japanese Government has given adequate consideration to the issue of safety in the Akatsuki Maru's first mission, it has failed to win full support from those countries whose waters through which the Akatsuki Maru is sailing. The official said that the government may consider better transportation methods after drawing lessons from this experience.

'Stealth' Features Considered for F-15 Fighters

OW1812083892 Tokyo KYODO in English 0821 GMT 18 Dec 92

[Text] Tokyo, Dec. 18 KYODO—The Air Self-Defense Force (ASDF) is considering remodeling its F-15 jet fighters into stealth-type radar-ducking jets, ASDF officials said Friday.

The officials said the ASDF hopes for an appropriation of several tens of billion yen in fiscal 1995 to start the project.

While noting the need to counter possible threats posed by higher-performance fighters used by Russia and other countries, the officials said the conversion plan will cost far less than purchasing entirely new aircraft.

Analysts said the plan to develop state-of-the-art fighters attested to the ASDF's strong desire to maintain Japan's advanced technology in the military and aeronautical field.

The ASDF is planning to make its F-15s undetectable by radar by placing radar wave absorbers on engine air intakes or on the front of their wings, the officials said.

It is also considering having the fighters equipped with up to 10 air-to-air missiles instead of the current eight

and improved firearms controlling radar, as well a system to control the jets by computer, they said.

The ASDF will decide on specific plans for remodeling the F-15s in fiscal 1995, the officials said.

The F-15 fighters, made by McDonnell Douglas Corp. of the United States, has been used by ASDF units since 1982. The ASDF currently owns about 160 F-15s.

Post, Telecommunications Minister Koizumi Profiled

OW1112114092 Tokyo KYODO in English 1130 GMT 11 Dec 92

[Text] Tokyo, Dec. 11 KYODO—Junichiro Koizumi, 50, known for his straightforward, candid ways, comes from a family with a three-generation cabinet history.

His grandfather headed a prewar Communications Ministry, while his father led the Defense Agency.

Koizumi returned from overseas studies in London when his father suddenly died, and then worked as secretary for former Prime Minister Takeo Fukuda.

He was elected to the House of Representatives for the first time at age 30 and has since been reelected to the lower house six times.

As a member of the second-largest faction in the ruling Liberal Democratic Party (LDP) headed by Hiroshi Mitsuoka, Koizumi, together with former Chief Cabinet Secretary Koichi Kato of the Miyazawa faction and former Construction Minister Taku Yamazaki of the Watanabe faction, formed the "YKK trio" that agitated for the resignation of former Prime Minister Toshiki Kaifu.

He is a strict opponent of the introduction of single-seat constituencies for the lower house as a remedy for the prevailing money politics, opting instead for a political anticorruption law.

North Korea

U.S. Senator Reportedly To Visit Pyongyang

SK1912003092 Seoul YONHAP in English 0013 GMT 19 Dec 92

[Text] Washington, Dec. 18 (YONHAP)—A State Department official and a U.S. senator will make an unprecedented visit to Pyongyang this weekend to discuss American servicemen missing since the Korean war (1950-53).

Bob Smith (R-New Hampshire), vice chairman of the Senate Select Committee on POW (prisoner of war) and MIA (missing in action) affairs, accompanied by Korean-speaker C. Kenneth Quinones from the State Department's Korea desk, will meet with high-ranking North Korean officials, including Vice Foreign Minister Kang Sok-chu, on Sunday.

Smith said that he hoped to provide answers to the families on the fate of American soldiers missing for nearly 40 years and build on the groundwork laid during Washington-Pyongyang talks in the truce village of Panmunjom in June 1991.

He was able to receive 11 sets of remains alleged to belong to Americans at that time, the second repatriation of remains since the war ended.

Smith will be carrying letters from the American Legion, the largest U.S. veterans' group, and the National Alliance of Families, urging cooperation on POWs and MIAs.

Smith stressed that the visit was strictly about a humanitarian issue.

"The select committee has addressed the matter of Korean war POWs and MIAs in a week of hearings earlier this month," he said.

Officially, 8,177 Americans are still listed as unaccounted for from the Korean war, nearly four times the number listed from the Indo-Chinese war.

It will be the first time either a sitting senator or a State Department official has gone to the North Korean capital.

The United States and North Korea do not have official ties.

Military Sources Report U.S.-South Air Exercises

SK1712063592 Pyongyang KCNA in English 0443 GMT 17 Dec 92

[Text] Pyongyang December 17 (KCNA)—The U.S. imperialists and the South Korean puppets staged joint air war exercises for an intensive strike at the strategic targets in the northern half of Korea in the skies above Kunwi, Umchon and Oeyon islet of South Korea on December 14 and 15, according to military sources.

The U.S. imperialists also sent a U-2 high-altitude strategic reconnaissance plane to the sky above the Military Demarcation Line for an aerial photographing and electronic reconnaissance on the North.

Warplanes of the U.S. Airforce in South Korea and the puppet airforce staged exercises of intensive bombing and successive strike at targets in a war atmosphere under the prearranged plan of coordinated operation.

The two-day frantic war game involved over 400 nuclear-capable fighter-bombers, pursuit-assault planes, assault planes, observation planes, reconnaissance planes and tanker planes.

On the 14th, warplanes belonging to the U.S. Airforce and the puppet airforce conducted a war exercise for air supremacy in an atmosphere of real war in the skies above Kunsan, Chongju and Yangpyong.

In another development, formations of C-130 transport planes carrying "commandos" of the puppet army staged an airlifting exercise in the sky above Sinchon-ri, Paju County.

Warplanes involved in various air war exercises that were staged in South Korea against the North on the 14th and 15th totalled more than 1,100.

Daily Calls South's DLP 'Group of Traitors'

SK1712114892 Pyongyang KCNA in English 1031 GMT 17 Dec 92

["Treacherous 'DLP' Group Fated To Be Judged by People"—KCNA headline]

[Text] Pyongyang December 17 (KCNA)—NODONG SINMUN today brands the ruling "Democratic Liberal Party" [DLP] of South Korea as a group of traitors who have been engaged in fascism and treachery, division and confrontation under the manipulation of the United States, and warns that the treacherous "DLP" group will face judgement by the people.

The paper says in a signed article:

For nearly three years since its emergence, the "DLP" has done lots of unpardonable acts of treachery, challenging the people's desire for independence, democracy and reunification.

This group of traitors turned the "National Assembly" into a theatre of its solo play by the merger of three parties, railroaded through it hundreds of fascist laws against the people and the nation, maintained the "National Security Law" and other fascist laws and established the fascist "security-oriented rule" to convert South Korea into a pandemonium of fascism under the sway of the fascist bayonet and heinous intelligence government.

With the flunkeyist, treacherous and anti-popular policies, the "DLP" has driven the economy into a hopeless bog and filled society with unrest and fear.

They persistently opposed the withdrawal of U.S. troops, the chief obstacle to national reunification, and ran about feverishly to realise the separatist "northern policy", faithfully following the U.S. imperialists' "two Koreas" policy. Obsessed with the dream of "unification through absorption", they whipped up the atmosphere of confrontation in collusion with outside forces, turning their back on the reunification dialogue with fellow countrymen.

The "DLP" military group begged for the U.S. "nuclear umbrella", continuously built and expanded secret nuclear arsenals in Kunsan, Osan and other parts of Southwest Korea to conceal the U.S. nuclear weapons and hastened the development of its own nuclear arms. According to the "nuclear war scenario" of the U.S. imperialists, they staged Focus Lens, Eagle, Hwarang and other war exercises and declared they would resume

the Team Spirit joint military maneuvers, carrying the situation on the Korean peninsula to the extreme pitch of strain and endangering the prospect of the North-South dialogue.

The crimes committed by the "DLP" traitor group against the nation, democracy, reunification and peace are heinous crimes never to be condoned.

The "DLP" is now desperately trying to stay in power for another term by employing every conceivable means. If this is allowed, dependence on outside forces will increase, military fascist dictatorship be strengthened, new obstacles be laid to the cause of national reunification and other grave consequences occur.

Report Views ROK Article on Intelligence Agency

SK1812124192 Pyongyang KCNA in English 1030 GMT 18 Dec 92

[Text] Pyongyang December 18 (KCNA)—The South Korean magazine SINDONG-A in its December issue carried a signed article headlined "Operations of Central Intelligence Agency (now Security Planning Board) in presidential elections" exposing the crimes of the "Security Planning Board" running the gamut of tricks and plots to seize power.

It was the "Central Intelligence Agency" (now Security Planning Board) that stoops to any infamy to "knock into [word indistinct] and maintain power" in South Korea, utterly indifferent to a "fair election", the article says.

The article reviews the historical course of the operations performed by the "CIA" as a tool of the ruler in the past.

The article notes:

Pak Chong-hui, Kim Chong-pil and others of the May 16 forces promised an early return to the original state through their "commitments" shortly after the coup d'etat. But it turned out to be a lie.

After 2 years and 7 months of "military administration" the May 16 forces buckled down in secrecy to the formation of the "Republican Party" from January 1962 through the "CIA" looking for a chance to seize power through elections. The "CIA" of Kim Chong-pil set up the "Republican Party" by squandering a large fund in a year.

Kim Hyong-uk, who took office as the fourth director of the "CIA" in July 1963, worked out an adventurous plan of the "CIA" to maintain "power" even by emergency means, irrespective of election results, at the time of the fifth "presidential elections" in 1963, and it was the same with the case of the sixth "presidential elections" in 1967. It was another showdown between Pak Chong-hui and Yun Po-son. "CIA director" Kim Hyong-uk gave "top-secret instructions", first of all, to Pang Chun-mo who was chief of the inspection section of the "CIA". On the instructions to shoot Yun Po-son, if he won the

election, a sharp-shooter was posted in the lane facing the inner room of his house on the day of ballot counting.

It was in the seventh "presidential elections" in 1971 that the "CIA" launched more elaborate and extensive operations. Yi Hu-rak, who took his post as sixth "CIA director" in December 1970, conducted voting operations by inciting provincialism for the seventh "presidential election" of Pak Chong-hui.

Yi Hyo-sang, the then "speaker of the National Assembly" from Kyongsang Province, touring the southeastern area, asserted that the "president" must come from Kyongsang Province. At the last moments of the election campaign the "CIA" incited provincialism with a sinister black propaganda and spread a rumour about Pak's last "presidential candidacy".

But Pak Chong-hui, after winning the election, went back on his "promise" during the canvassing and paved the way for permanent office labeled "Yusin system".

Papers Devote Articles to Visit of Malian President

*SK1912070692 Pyongyang KCNA in English 0509
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Papers here today warmly welcome the official goodwill visit of Alpha Oumar Konare, president of the Republic of Mali, to Korea upon the invitation of President Kim Il-song of the Democratic People's Republic of Korea.

NODONG SINMUN in an editorial states that the Korean visit of the Malian president will signify an important landmark in developing friendly relations between Korea and Mali to a new stage.

His visit will be also an encouragement to the Korean people in the struggle to defend the Korean-style socialism centred on the popular masses and develop it and achieve the independent and peaceful reunification of the country at an early date, it notes, and goes on:

The Malian people are endeavoring to stabilize the country's situation and build a new democratic society. A new constitution was adopted and a new coalition government headed by His Excellency Oumar Konare was established.

Pursuing a non-aligned foreign policy, the Malian Government is striving to develop the economic relations with other African countries and democratize the United Nations.

The Korean people are following with deep interest the Malian people's struggle to achieve the country's stability and national reconciliation and unity and build a prospering new country.

It is a consistent principle of our republic to develop friendship, unity and cooperative relations with the non-aligned and other developing countries on the basis

of the noble idea of independence, peace and friendship, declares the editorial, adding: We, as in the past, will in the future, too, strive to develop friendly and cooperative relations with the Malian people

MINJU CHOSON in an editorial stresses that the Korean visit of His Excellency Alpha Oumar Konare will be an event opening a new chapter in the history of Korea-Malian friendship.

Reportage on Visit of President of Mali

Arrival in Pyongyang

*SK1912071092 Pyongyang KCNA in English 0435
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, arrived here today by special plane for an official goodwill visit to Korea upon the invitation of President Kim Il-song of the Democratic People's Republic of Korea.

The president was met at the airport by Vice-President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam and officials concerned.

Thousands of Pyongyangites warmly welcomed the goodwill envoy of the Malian people at the airport.

Papers here today carry a profile of President Alpha Oumar Konare and editorials welcoming his Korean visit.

Greeting by Yi Chong-ok, Kim Yong-nam

*SK1912105492 Pyongyang KCNA in English 1019
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, arrived here today by special plane for an official goodwill visit to Korea upon the invitation of President Kim Il-song of the Democratic People's Republic of Korea.

Accompanying the president were Mohamed Alhousseyni Toure, minister of external relations; Boubacar Bah, minister delegate under the prime minister in charge of the promotion and initiative of private enterprise; and suite members.

Streets of the capital city and Pyongyang airport were garbed in festive attire to greet the goodwill envoy of the Malian people.

Set up at the airport were a portrait of President Kim Il-song and a portrait of president Alpha Oumar Konare, together with slogan boards reading "Long live the great leader Comrade Kim Il-song!" "Long live His Excellency Alpha Oumar Konare, president of the Republic of Mali!" "Warm welcome to the goodwill envoy of the Malian people!" and "Long live friendship and solidarity between the Korean and Malian peoples!"

The guests were met at the airport by Vice-President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam, other senior officials and DPRK Ambassador to Mali Kim Ki-han.

At the airport thousands of Pyongyangites carrying miniature flags of the two countries and bunches of flowers warmly welcomed the guests, shouting "Welcome to Konare" and "Friendship and solidarity".

President Alpha Oumar Konare passed before the crowd, responding to their cheers, and headed for the city.

More than 100,000 Pyongyang citizens welcomed the goodwill envoy of the Malian people on the route from Yonmot-tong, the approach to the city, to Kumsong Street.

Paek Hak-yon, permanent vice-chairman of the Pyongyang Municipal People's Committee, presented a silver knife to President Alpha Oumar Konare.

Courtesy Call Paid on Kim Il-song

*SK2012023592 Pyongyang KCNA in English 1518
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, today paid a courtesy call on President Kim Il-song of the Democratic People's Republic of Korea.

Present there were Mohamed Alhousseyni Toure, minister of external relations, and Boubacar Bah, minister delegate under the prime minister in charge of the promotion and initiative of private enterprise of the Republic of Mali and suite members.

Vice-President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Premier and Chairman of the State Planning Commission Kim Tal-hyon, Vice Premier and Minister of Culture and Art Chang Chol, Vice Marshal of the Korean People's Army Kim Kwang-chin, Vice-Chairman of the State External Economic Affairs Commission Chong Song-nam, Vice-Minister of Foreign Affairs Chang Song-kil, and DPRK ambassador to Mali Kim Ki-han were on hand.

President Kim Il-song had a cordial and friendly conversation with president Alpha Oumar Konare.

Greetings Exchanged With Kim Il-song

*SK2012023792 Pyongyang KCNA in English 1522
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today greeted Alpha Oumar Konare, president and head of state of the Republic of Mali, on an official goodwill visit to Korea.

Flying on the flag poles were the national flags of Korea and Mali.

President Kim Il-song exchanged warm greetings with President Alpha Oumar Konare. A function welcoming President Alpha Oumar Konare took place.

The national anthems of the Republic of Mali and the DPRK were played.

President Alpha Oumar Konare, in company with President Kim Il-song, reviewed a guard of honor of the three services of the Korean People's Army. Present at the welcome function were Mohamed Alhousseyni Toure, minister of external relations, and Boubacar Bah, minister delegate under the prime minister in charge of the promotion and initiative of private enterprise, of the Republic of Mali, and suite members. Vice-President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam, Vice Marshal of the Korean People's Army Kim Kwang-chin, Vice-Chairman of the State External Economic Affairs Commission Chong Song-nam, Vice-Minister of Foreign Affairs Chang Song-kil, and Korean Ambassador to Mali Kim Ki-han were [word indistinct].

Kim Il-song Hosts Banquet

*SK2012024092 Pyongyang KCNA in English 1526
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today arranged a banquet at the [word indistinct] Hall in honor of Alpha Oumar Konare, president and head of state of the Republic of Mali, on an official goodwill visit to Korea.

President Kim Il-song, conducting President Alpha Oumar Konare, appeared at the banquet hall, receiving warm welcome from the participants.

President Kim Il-song made a speech at the banquet.

Then President Alpha Oumar Konare spoke.

Present at the banquet on invitation were Mohamed Alhousseyni Toure, minister of external relations, Boubacar Bah, minister delegate under the prime minister in charge of the promotion and initiative of private enterprise, and suite members. On hand were Vice President Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Premier and Chairman of the State Planning Commission Kim Tal-hyon, Vice-Premier and Minister of Culture and Art Chang Chol, and other senior officials and DPRK Ambassador to Mali Kim Ki-han.

The banquet proceeded in an atmosphere overflowing with the feelings of friendship.

Tour of Pyongyang 19 Dec

*SK2012024392 Pyongyang KCNA in English 1529
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, on an official goodwill visit to Korea and his

entourage visited the Tower of the Chuche Idea and went round the streets of Pyongyang today.

The guests were accompanied by Vice-President Yi Chong-ok and officials concerned.

At the Tower of the Chuche Idea, the guests were briefed on the tower symbolic on the greatness and brilliant victory of the chuche idea, seeing the group sculptures on either side of the tower as well as the Exhibition Hall of Stone Plates sent by leaders, political and public figures and chuche idea espousers in different countries.

They enjoyed a bird's-eye view of Pyongyang on the observation stand of the tower.

The guests went round magnificent and beautiful Kwangbok, Tongil, Chollima, and other streets built in peculiar architectural styles.

Kim Il-song Banquet Speech

CM2212162992 Pyongyang Korea Central Broadcasting Network in Korean 2100 GMT 19 Dec 92

[Text] Your Excellency respected President Alpha Oumar Konare, various Malian guests, and comrades and friends:

We have warmly received His Excellency respected Alpha Oumar Konare, president of the Republic of Mali, and a goodwill envoy of the Malian people. On this occasion filled with amity, on behalf of the government of our republic and the Korean people and for myself, I warmly welcome your excellency respected president and your delegation.

I am very pleased that on this occasion I have met you for the first time to make your acquaintance and close friends with you.

You are busy with state affairs after you have assumed a heavy responsibility as the president. Nevertheless, you have started on a long journey to Asia this time and have visited our country first of all. This is the expression of the deep trust which your excellency president place in us and, at the same time, clearly shows that the friendly and cooperative relations between the Korean and Malian peoples are continuing to develop favourably.

The current visit of your excellency president to our country will be an important opportunity in deepening the ties of friendship and cooperation between our two countries and will also make a contribution to the strengthening of the solidarity of the Asian and African peoples.

Today the common desire of the progressive people throughout the world is to build a free and peaceful new world free from all manner of domination and subordination, aggression and war.

Korea and Mali, both being non-aligned countries, are aspiring to independence and our two peoples are working hard to build a prosperous new society, an independent new world.

Our people regard with deep attention the struggle which your people are waging to build an independent and prosperous new Mali holding their destiny in their hand.

Since you were elected president last April amidst the support and trust of the Malian people, new advance is being made in various fields in your country. We highly appreciate this and are sure that under your leadership the Malian people will achieve a brilliant success in the work of promoting national reconciliation and unity and developing the economy of the country.

The government and people of Mali are making determined efforts to strengthen friendship and solidarity with the other African countries and attain the common prosperity of africa.

Unity is the main factor of victory. When the people of all countries of the world championing independence powerfully push forward the current of history in firm unity, they will make fresh advance in their struggle to make the whole world independent.

On the basis of the idea of independence, peace and friendship the Korean people will unite with the malian people and will also firmly unite with the Asian and african peoples and with all the progressive people of the world.

Today, even under the difficult conditions where the pressure and interference by the outside forces are becoming extreme, our people are dynamically advancing along the road to socialism chosen by themselves, full of confidence and optimism, unhesitatingly upholding the banner of the chuche idea; they are making persevering efforts to achieve the reunification of the country, the supreme national desire, in accordance with the three principles of independence, peaceful reunification and great national unity. No force will check the advance of our people. Our people will victoriously accomplish the cause of socialism with their own efforts and will realize the reunification of the country without fail.

The current visit of Your Excellency esteemed president to our country is an encouragement to our people who are striving to defend and promote the cause of socialism and achieve the independent and peaceful reunification of the country.

Through your current visit to our country you will keenly feel the friendly feelings of our people toward the Malian people.

I hope your visit in our country will be joyful and fruitful. I propose a toast to friendship and unity between the Korean and Malian people, the prosperity of the Republic of Mali, the long life and good health of His Excellency respected President Alpha Oumar Konarae

and the health of his wife, the health of various Malian guests, and the health of various comrades and friends present on this occasion.

Malian President's Banquet Speech

*SK2012024792 Pyongyang KCNA in English 2251
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, spoke at the banquet arranged by President Kim Il-song of the Democratic People's Republic of Korea at the Kumsusan Assembly Hall today.

Paying regards to President Kim Il-song who is making particular efforts to further develop the excellent relations existing between the two countries, Korea and Mali, he affirmed the will of Mali to maintain and expand the cooperation founded more than 30 years ago on the basis of the idea of peace, solidarity and social justice.

The president said:

Like the Democratic People's Republic of Korea, Mali has chosen a road of promoting the development of society centered on the people, which represents in our eyes the only way leading to the progress, prosperity and welfare of our people.

Like you, we have chosen a policy of negotiation and South-South cooperation in order to break through the difficulties caused by the confusion of the international order and the uncertainty of world economy.

This commonness well illustrates the identity of our points of view on the questions of international politics and attests to a perfect comprehension between Mali and the Democratic People's Republic of Korea.

In the past period constructive dialogue and contact frequently took place between our two countries and Korea-Mali cooperation established in this course has been an effective means of promoting the development of our country. The government of the Republic of Mali is satisfied with this.

I am convinced that the Democratic People's Republic of Korea, as it cooperated in the building of a ceramic factory, a house of culture and irrigation works in Mali in the past, will always support the struggle of the Malian people against underdevelopment.

At this moment when the world is in the height of evolution, we think that the democratisation of the international relations is the sole alternative for the guarantee of international peace and security and the establishment of relations of confidence between peoples.

I express grief and concern over the growing hostile feelings and expanding violence in many parts of the world today.

Under the complex international situation, the strengthening of solidarity between the non-aligned countries, including Mali and Korea, is of capital importance.

Our current visit to your country is a demonstration of solidarity between the two countries.

On last October 31, our two countries celebrated the 32nd anniversary of the establishment of their diplomatic relations. These three decades of fruitful contacts and sincere collaboration have helped our two peoples know well and respect each other. The Malian people and Government feel pangs in their hearts at the division of Korea and consider that such tragedy should be settled fairly without political and ideological prejudice.

History will always remember the tireless efforts which your excellency president have bent incessantly for the independent and peaceful reunification of Korea.

These noble efforts for the reunion of the separated families over the last more than 40 years have won the admiration of all the peoples who value peace and justice.

I assure you that Mali, faithful to her policy the keynote of which is the peaceful settlement of differences by dialogue and negotiation, non-interference in others' internal affairs, respect for the sovereignty and the dignity of peoples, will continue to support the Korean people's cause of independent and peaceful reunification.

Availing myself of this opportunity, I express thanks to you for the support and solidarity you have manifested to the efforts of the Malian people and their government for the restoration of peace in our country.

We could proudly confirm through our significant meeting with your excellency president and conversations with members of your government that the bilateral relations will be brought to a new height in conformity with the profound aspirations of our two peoples. We think that we should adapt our actions to the realities today on the basis of our rich common experience. We are confident that this step will consolidate our friendship.

Kim Il-song, Konare Hold Talks

*SK2012085892 Pyongyang KCNA in English 0814
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—Talks were held here today between President Kim Il-song of the Democratic People's Republic of Korea and Alpha Oumar Konare, president and head of state of the Republic of Mali.

Present at the talks on the Korean side were Vice-president Yi Chong-ok, Vice-premier and Foreign Minister Kim Yong-nam, Vice-chairman of the State External Economic Affairs Commission Chong Song-nam, Vice-minister of Foreign Affairs Chang Song-kil and DPRK Ambassador to Mali Kim Ki-han.

Mohamed Alhousseyni Toure, minister of external relations, Boubacar Bah, minister delegate under the prime minister in charge of the promotion and initiative of private enterprise, and other suite members were present on the opposite side.

The talks took place in a sincere and friendly atmosphere.

Wreath Laid at Martyrs Cemetery

*SK2012085992 Pyongyang KCNA in English 0820
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, and his party on an official goodwill visit to Korea laid a wreath in the Revolutionary Martyrs Cemetery on Mt. Taesong today.

Present there were Vice-president Yi Chong-ok and officials concerned.

A guard of honor of the Korean People's Army was lined up in the cemetery.

The president and his party observed a moment's silence in memory of the anti-Japanese revolutionary martyrs who laid down their precious lives for the noble cause of the liberation of the country and the freedom and happiness of the people.

Konare Visits Mangyongdae 20 Dec

*SK2012090092 Pyongyang KCNA in English 0817
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, and his party visited historical Mangyongdae today.

At the old home in Mangyongdae where the great leader President Kim Il-song was born and spent his childhood, nursing his grand aspirations of revolution, the guests saw with keen interest the mementoes which are preserved with much care, while hearing an explanation about the immortal revolutionary records on the historical home.

They posed for a souvenir picture in front of the old home.

The Malian president and his party inspected the University of National Economy and the Grand People's Study House.

Meanwhile, some suite members visited the Korean Central History Museum and the Pyongyang Embroidery Institute.

Gift Accepted for Kim Chong-il

*SK2012090292 Pyongyang KCNA in English 0823
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by Alpha Oumar Konare, president and head of state of the Republic of Mali.

The gift was handed by President Alpha Oumar Konare to Vice-president Yi Chong-ok.

Kim Il-song Receives Gift

*SK2012090392 Pyongyang KCNA in English 0825
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today received a gift from Alpha Oumar Konare, president and head of state of the Republic of Mali.

The entourage of the Malian president were on hand.

Present on the occasion were Vice-president Yi Chong-ok, Vice-premier and Foreign Minister Kim Yong-nam and officials concerned.

President Kim Il-song saw the gift and expressed thanks for it.

He presented a gift to President Alpha Oumar Konare.

The Malian president saw the gift and expressed deep thanks for it.

Order of National Flag Conferred

*SK2012111892 Pyongyang KCNA in English 1024
GMT 20 Dec 92*

[Text] Pyongyang Dec. 20 (KCNA)—The Order of National Flag First Class of the Democratic People's Republic of Korea was conferred on Alpha Oumar Konare, president and head of state of the Republic of Mali, on an official goodwill visit to Korea.

The presentation ceremony took place Sunday.

A decree of the Central People's Committee of the Democratic People's Republic of Korea was read and Vice-president Yi Chong-ok conferred the Order of National Flag First Class of the Democratic People's Republic of Korea on President Alpha Oumar Konare.

The president expressed deep thanks for the conferment.

Kim Chong-il Awarded Supreme Order

*SK2012111992 Pyongyang KCNA in English 1027
GMT 20 Dec 92*

[Text] Pyongyang December 20 (KCNA)—“Grand Cross Order,” the supreme order of the Republic of Mali, was awarded today to Comrade Kim Chong-il, member of the Presidium of the Political Bureau and

secretary of the Central Committee of the Workers' Party of Korea and supreme commander of the Korean People's Army.

His Excellency Alpha Oumar Konare, president and head of state of the Republic of Mali, now on an official goodwill visit to Korea, read a decision to confer the supreme order of the Republic of Mali upon Comrade Kim Chong-il and conveyed it to Vice-president Yi Chong-ok.

The Malian Government decided to award it to Comrade Kim Chong-il in high estimation of his immortal feats.

Tour of Pyongyang 21 Dec

*SK2112110492 Pyongyang KCNA in English 1025
GMT 21 Dec 92*

[Text] Pyongyang December 21 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, and his party visited the Mansudae Art Studio and went round the Pyongyang Metro today.

The guests were accompanied by Vice-president Yi Chong-ok and officials concerned.

At the Mansudae Art Studio, the guests went round with keen interest production rooms and works of art in the exhibition hall, while listening to an explanation about the building of the studio into a combined art studio of the country under the leadership of the Workers' Party of Korea.

Then they inspected the Pyongyang metro.

They went to Puhung and Yonggwang stations by a metro car. They expressed deep impressions of the new architectural styles and the grand and beautiful mural paintings and sculptures.

Malian President Concludes Visit

*SK2112103292 Pyongyang KCNA in English 1009
GMT 21 Dec 92*

[Text] Pyongyang December 21 (KCNA)—Alpha Oumar Konare, president and head of state of the Republic of Mali, left here today by special plane after his official goodwill visit to Korea at the invitation of President Kim Il-sung of the Democratic People's Republic of Korea.

The Malian president and his entourage were seen off at the airport by Vice-president Yi Chong-ok, Vice-premier and Foreign Minister Kim Yong-nam and officials concerned.

A farewell function took place at the airport.

The Malian president, in company with Vice-president Yi Chong-ok, reviewed a guard of honour of the three services of the Korean People's Army.

The guests were warmly sent off at the airport by thousands of Pyongyangites with flags of the two countries and flowers in their hands.

Japan-Korea Friendship Group Meets in Kyoto

*SK1812120892 Pyongyang KCNA in English 1021
GMT 18 Dec 92*

[Text] Tokyo December 16 (KNS-KCNA)—The fourth Kyoto Japan-Korea friendship meeting was held in Kyoto on December 11.

Present there were Yukio Takemura, Social-Democratic member of the House of Representatives, Teiichi Aramaki, governor of Kyoto Prefecture; Tomoyuki Tanabe, mayor of Kyoto and others. Ex-Prime minister Toshiki Kaifu, Liberal-Democratic member of the House of Representatives, was invited.

Underlining to the historical significance of the Korean visit by delegations of the Liberal-Democratic Party and Social-Democratic Party of Japan, Kosho Mizutani, the representative of the Japan-Korea Religious Peace Council, stressed in his speech the need to expand the scope of friendship between the Japanese and Korean peoples.

The ex-prime minister of Japan said that an early normalisation of the Japan-DPRK diplomatic relations is of great significance for peace and security in Japan, Korea and, furthermore, in Asia, and declared that he would actively cooperate for the improvement of Japan-DPRK relations.

Many figures took the floor and Yukio Takemura and a Liberal-Democratic member of the Kyoto prefectural assembly made reports on Korean visit.

SPA Delegation Meets Former Italian Prime Minister

*SK1912065192 Pyongyang KCNA in English 0457
GMT 19 Dec 92*

[Text] Pyongyang December 19 (KCNA)—Talks were held between delegations of the foreign affairs commissions of the DPRK Supreme People's Assembly (SPA) and the senate of Italy in Rome Tuesday.

Present there on the Korean side were chairman of the commission Kim Yong-sun and officials concerned and on the opposite side were former prime minister and chairman of the commission Amintore Fanfani and Senator Flaminio Piccoli.

It was agreed at the talks that the two parliaments should make joint efforts for the development of friendly and cooperative relations between the two countries.

The talks proceeded in a friendly atmosphere.

Film Show Commemorates Kazakh National Day

*SK1812044792 Pyongyang KCNA in English 0419
GMT 18 Dec 92*

[Text] Pyongyang December 18 (KCNA)—A film show took place Wednesday on the occasion of the first national day anniversary of the Kazakhstan Republic.

Present there were Chong Chun-ki, chairman of the Committee for Cultural Relations with Foreign Countries, and other personages concerned as well as working people in the city.

The participants saw a Kazakh feature film.

WPK, Italian Socialist Group Issue Statement

*SK1712070192 Pyongyang KCNA in English 0449
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—A joint statement of the Workers' Party of Korea [WPK] and the Movement for Peace and Socialism of Italy [MPSI] was published in Rome Monday.

The statement reaffirms the validity of the Pyongyang declaration which reflects the firm will to defend and advance the cause of socialism, saying it is of epochal significance in strengthening internationalist unity and solidarity among the revolutionary parties and advancing the socialist cause.

Saying the fact that the declaration has been signed by more than 150 parties and it is fully supported by all the revolutionary people in the world proves that the socialist idea clarified in the Pyongyang declaration reflects the desire and aspiration of the progressive mankind, the statement stresses the need for each party to consolidate its own organizational and ideological foundation from an independent position and strengthen international solidarity with other parties.

In particular, it notes that the dear leader Comrade Kim Chong-il's work "On the Fundamental Questions of Revolutionary Party Building" is a historical work which clearly shows the way for revolutionary political parties to wage a new struggle for socialism with the Pyongyang declaration as their common action program.

To prevent war and safeguard peace is a common task of mankind, it says, demanding that all military blocs be dissolved, foreign military bases dismantled and nuclear-free, peace zones created in all parts of the world.

Saying Japan's policy of stepping up the moves to become a military power and stockpiling more plutonium than necessary cannot be justified under any circumstances, it demands a stop to it.

The statement urges the cancellation of the decision of the United States and the South Korean authorities to resume "Team Spirit" joint military exercises and the withdrawal of U.S. troops and all their nuclear weapons from South Korea.

The WPK and MPSI will strive in concert for peace and democracy, national independence and socialism, for the building of a free, peaceful and independent, new world.

Institute Official on Russian Director's Remarks

*SK1712101292 Pyongyang KCNA in English 0514
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—The vice-director of the Institute of Disarmament and Peace of the Democratic People's Republic of Korea answered a question put by KCNA Wednesday on the words about the DPRK's "nuclear problem" given to a paper by the director of the institute on the United States and Canada under the Russian Academy of Sciences.

He referred to the fact that Arbatov, director of the institute on the United States and Canada under the Russian Academy of Sciences when interviewed by a reporter of SEOUL SINMUN of South Korea on December 5, stated in explicit terms that "Russia does not think the DPRK has the capacity to develop nuclear arms," "there is no need to overestimate the DPRK's nuclear technology" and "Russia possibly transferred nuclear technology to the DPRK in the past, but it was not technology for manufacturing nuclear arms".

The vice-director said this shows well how unjustifiable and unfounded the fuss of the U.S. and the South Korean authorities over the "nuclear arms development" of the DPRK is.

Stating that the Russians who had ties, contacts and experience with the DPRK in this domain in the past period have a better knowledge of the "nuclear problem" of the DPRK than anybody else, he said the words of Director Arbatov can be uttered only by those who know well about the peaceful nuclear policy of the DPRK.

The United States and the South Korean authorities must not speak ill of the North, misleading world opinion over the "nuclear problem", but accept the wholesale inspection of the U.S. nuclear weapons and nuclear bases deployed in South Korea without delay and give up the plan to resume the "Team Spirit" joint military rehearsal, a nuclear war exercise.

Bolshevik Communist Party Expresses Support

*SK1712115092 Pyongyang KCNA in English 1034
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—The Central Committee of the All-Union Bolshevik Communist Party published a statement on November 28 supporting the letter addressed to governments, political parties and parliaments of all countries which was adopted at a joint meeting of the government, political parties and organizations of the DPRK.

The statement expresses firm solidarity of the Bolshevik-Leninists for the Korean people's cause of justice, and resolute support to the demand for an unconditional

withdrawal of the decision to resume the "Team Spirit" joint military exercises and to the peaceful proposals of the DPRK for the denuclearization of the Korean peninsula and the independent and peaceful reunification of the country.

It vehemently denounces the United States for escalating the tension on the Korean peninsula and producing a hotbed of danger of another war.

It calls upon the world public to lift up their louder voices condemning the war provocation moves of the U.S. warlords who are inveigling South Korea deeply in their expansionist design on Asia.

New Envoy Presents Credentials to Cuban Official

*SK1912063792 Pyongyang KCNA in English 0441
GMT 19 Dec 92*

[Text] Havana December 17 (KCNA)—Carlos Rafael Rodriguez, vice-president of the Council of State of Cuba, expressed the firm belief that the peoples of Cuba and Korea who have outstanding leaders will defend socialism to the end and win victory in the accomplishment of the socialist cause, when he received credentials from the newly-appointed DPRK ambassador to his country on December 15.

Saying that friendly relations between the heads of state of Cuba and Korea are particular, he stated that the friendly and cooperative relations between Cuba and Korea are growing stronger and developing on the basis of these friendly relations.

Workers Party Sends Message to Dutch Communist

*SK1712060392 Pyongyang KCNA in English 0431
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—The Central Committee of the Workers' Party of Korea on December 12 sent a message of greetings to Pieter Den Engelse upon his election as chairman of the Central Committee of the New Communist Party of Netherlands.

The message expresses the belief that the relations between the two parties will develop on good terms and sincerely wishes him success in his responsible work for the fulfilment of the tasks put forward by the party congress.

Daily Dedicates Article to Niger National Day

*SK1812122592 Pyongyang KCNA in English 1052
GMT 18 Dec 92*

["National Day of Niger Observed"—KCNA headline]

[Text] Pyongyang December 18 (KCNA)—MINJU CHOSON today dedicates a by-lined article to the 34th anniversary of proclamation of the Republic of Niger.

The article says:

The proclamation of the republic in Niger in December 1958 was a historical event of great significance in the life of the Niger people.

The Niger people achieved complete independence of the country and made vigorous efforts to build a new society after the proclamation of the Republic.

The Niger Government has established and developed friendly and cooperative ties with many non-aligned and developing countries of the world including african countries.

Korea and Niger established diplomatic relations at ambassadorial level in September 1974 which are developing on good terms.

Believing that the friendly and cooperative relations between Korea and niger will continue to strengthen in the future in the idea of independence, peace and friendship, the Korean people sincerely wish the Niger people new progress in the efforts for the independent development and prosperity of the country, notes the article.

Syrian People's Council Members Protest 'Team Spirit'

*SK1712053292 Pyongyang KCNA in English 0421
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—42 members of the People's Council of the Syrian Arab Republic sent a message of protest to the United States and South Korean authorities denouncing their decision to resume the "Team Spirit" joint military exercises.

The resumption of the "Team Spirit" will not only lead the situation on the Korean peninsula to the brink of war, bring the North-South relations back to the state of tension and confrontation and do harm to the process of reconciliation and reunification but also violate the North-South agreement and encroach upon the interests of Asian people, the message said.

Protesting the United States and South Korean authorities against their moves threatening the socialist system, the message demanded the withdrawal of the decision to resume the joint military rehearsal.

ROK Police Alert Underscores Seoul Intervention

*SK1712071092 Pyongyang KCNA in English 0455
GMT 17 Dec 92*

["What Is 'Special Alert Order' for?"—KCNA headline]

[Text] Pyongyang December 17 (KCNA)—The South Korean authorities issued a "A-class special alert order" to the police throughout South Korea beginning December 14 with the "elections" in the offing. This comes under fire in NODONG SINMUN today.

The mobilization of government power in "elections" by the rulers in such society of military fascist dictatorship

as South Korea is intended for the stay of the military fascist group in power, the analyst says, and continues:

Each time "elections" took place, the South Korean rulers, on the plea of "fair elections", issued "special alert orders" one after another and put in motion all the repressive tools and forces to rig "victory".

The present ruling quarters of South Korea are now employing this method in the "elections" just around the corner.

All the repressive tools and forces of South Korea hurled into the "elections" under the "special alert order" are going all out to suppress the forces opposed to the "Democratic Liberal Party [DLP]" and the "election campaign" of the opposition and independent "candidates".

They, closing their eyes to the fraudulent "election campaign" of the "DLP" military fascist group, have groundlessly raided and ransacked the "campaign" offices of the opposition and independent "candidates" and walked away "electioneers". Worse still, they have launched a checkup and search everywhere and indiscriminately arrested anyone who is opposed to the "DLP".

With no amount of sophism can the present South Korean ruling quarters conceal the truth that the "A-class special alert order" is designed to let the military fascist group remain in power with the mobilization of all the repressive forces.

Group Denounces Seoul on Election Actions

*SK1712062292 Pyongyang KCNA in English 0436
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—The secretariat of the Committee for the Peaceful Reunification of the Fatherland published its information No. 618 Wednesday denouncing the South Korean authorities for kicking up a racket of suppression against the opposition camp with "presidential elections" at hand.

The information notes that the authorities issued a "maximum emergency alert" order to the police throughout South Korea on December 14 and launched into a frantic campaign of check-up and search, wholesale control and roundup;

Such situation shows that for all their talk about fair elections the South Korean authorities are, in actuality, trying to frame up the "Democratic Liberal Party's [DLP] dictatorial regime" by mobilizing "government" power, it says, and goes on:

The "election management committee", police and prosecution are loudmouthed about a "strict control of violators of the election law", but they are conniving at many illegal abuses by the "DLP" and, if necessary, are pretending to reluctantly investigate into them.

The South Korean authorities issued an emergency alert order to the police and prosecution throughout South Korea and set in-motion 460,000 "home affairs officials" in election management on the pretext of preventing "election frauds and confusion." This is, in the final analysis, aimed at checking the return of an opposition and democratic "presidential candidate" and rigging the election of the "DLP's candidate" by "government" power and thus prolonging the present dictatorial system.

If the South Korean authorities really intend to stage fair elections, they should immediately withdraw the step of mobilizing all repressive forces, the information said.

Seoul Criticized for Campaign Interference

*SK1712055392 Pyongyang KCNA in English 0429
GMT 17 Dec 92*

[Text] Pyongyang December 17 (KCNA)—Interference of South Korean Government power for the rigging of the election of the candidate of the "Democratic Liberal Party" (DLP) as "president" has been exposed, according to a report.

The chairman of the Election Measure Committee of the National Party exposed that eight influential persons in Pusan including the ex-"minister of justice", the Pusan mayor, the local prosecutor general, the Pusan police chief, the chief of the Pusan branch of the "Security Planning Board", the Pusan district chief of the "secret affairs command" and chiefs of other major organs in Pusan held a confab to hatch a string of plots including a way of backing Kim Yong-sam by taking advantage of provincialism, a measure for manipulating the local press and slanders against the opposition candidates and opened to the public pictures and recorded tape on the confab.

As soon as this case was brought to light, the chairman of the election measure committee of the democratic party released a statement declaring that No Tae-u's "will of neutrality" has turned out to have been a disguise and demanding a prompt resignation of the present "prime minister" and the dismissal of those involved in the confab.

Under the pressure of public opinion, the South Korean authorities dismissed the Pusan mayor, the Pusan police chief, the Pusan district chief of the "secret affairs command" and the chief of the Pusan branch of the "security planning board".

According to another report, members of the headquarters of the "people's council" movement for fair elections called at the "central election administration committee" on December 14 and protested that the "laws" were being executed onesidedly in favour of "DLP" candidate Kim Yong-sam and demanded a stop to this practice.

Independent National Economy Grows Stronger*SK1812162992 Pyongyang KCNA in English 1514
GMT 18 Dec 92*

[Text] Pyongyang Dec. 18 (KCNA)—Economic potentials have increased still further in the Democratic People's Republic of Korea with more than one hundred construction projects completed this year.

The great leader President Kim Il-song has said:

"In socialist economic construction, we must carry through the line of building an independent national economy whose soundness has been clearly substantiated, in order to strengthen the economic might of the country and satisfactorily solve the problem of providing the population with food, clothing and housing in keeping with the requirements of socialism."

With a view to realising the *chuche*-orientation, modernisation and scientification of the national economy, the government of the republic has increased investment in mining and other key industries, further supplementing the structure of production in these domains.

In the coal industrial sector more coal mines and pits have been constructed on a large scale this year, additionally providing a capacity of producing several million tons of coal.

In coal mines in South Pyongan Province alone 1,842,000 more tons of coal was produced during the first eleven months of this year than the same period last year.

Mineral production capacity has sharply increased as Hungsang, Samsu and other ore mines were commissioned and the existing ones were reconstructed on an expansion basis.

In the power industrial domain sustained efforts have been made to increase the production of electricity for the present and, at the same time, the construction of power stations in different parts of the country has been pressed forward.

The construction of large power stations has progressed apace in Pyongyang, Nampo, Haeju, on the Orang River and other places, with success in the assembling of equipment and partial trial operation in many units. A solid productive foundation of metal industry has been laid and production processes have been streamlined still further.

An electric furnace and a high-pressure pipe shop were built and put into operation at the Songjin steel complex.

In machine-building industry a numerical control machine tool of new type, a 40,000 cubic metre gas centrifugal compressor, a 6,300 ton wheel press and a 210 ton boiler and other large-capacity power equipment and new machines were manufactured and factories and

production processes including the March 4 factory and an electric rock drill shop at the Chonchon rock drill factory sprang up.

Korea is now offsetting more than 98 percent of the needs for machines by her own production and turning out a complete set of equipment needed for metallurgical, chemical, power, mining and other branches of the national economy.

Chemical and light industries witnessed the commissioning of some 40 factories, including the youth paper mill, the Sunchon traditional Korean medicine plant and the Hungnam towel factory and the modernization of production processes at many light industrial factories, including the Sakju foodstuff factory and the Hwangju textile mill.

In the railway transport domain this year Hamhung-Sinhung, Sinhung-Pujon Lake, Kujang-Hyangjang and several other sections were switched over to electric traction and the laying of Namdong-Onchon railways and the electrification project of Hyesan-Manpo railways stretching more than 250 kilometres reached a finishing stage as a result of big efforts directed to the laying of new railways and railway electrification.

The Pyongyang-Kaesong express highway, Sunchon-Pukchang road pavement and wharf expansion at Hungnam port were completed and 20,000-, 14,000-, 3,750-, 1,000-ton cargo ships, a large cargo and passenger ship, stern-trawlers were built to consolidate the material and technical foundations for the development of land and sea transport and fisheries.

South Korea**Kim Yong-sam To Set Up Transition Team***SK1912102992 Seoul YONHAP in English 0541 GMT
19 Dec 92*

[Text] Seoul, Dec. 19 (YONHAP)—President-elect Kim Yong-sam said Saturday he plans to set up a transition team to facilitate a smooth transfer of power from President No Tae-u.

Speaking at a press conference hours after he became an apparent winner of Friday's presidential election, Kim Yong-sam declined to elaborate what his immediate plans for his government were. He said, however, he would reform old systems and customary practices.

Kim is expected to meet President No at Chongwadae Monday to discuss details of government transfer, according to Democratic Liberal Party sources. No is scheduled to leave his office Feb. 25.

Meanwhile, a senior party official said Saturday there had been some discussions within the party on a possible reform of government organizations. But the party had avoided publicity on its talks because the outcome of the election was not certain, he said.

Now that Kim Yong-sam is elected president, the official said the party will hold active plan for a government reorganization.

The main future of the reorganization, he added, could be a creation of the office of trade representative, in the style of the U.S. trade representative, by combining all bureaus concerned with trade in the Finance Ministry, the Economic Planning Board and governmental agencies.

The party also hopes to establish a presidential advisory council on economic affairs, comprising economic ministers, academics and financial experts. It will specifically discuss policies on a real name system for financial transaction, reorganization of the financial sector and dispersal of economic power, which is now concentrated in the hand of a few large business groups, the official said, requesting anonymity.

Kim Yong-sam Aide: Economic Interests Priority

SK2012065392 Seoul THE KOREA HERALD
in English 20 Dec 92 p 8

[By staff reporter Choe Nam-hyon]

[Text] Policy on external relations is expected to undergo a drastic change under President-elect Kim Yong-sam, who, one of his top aides says, will put national economic interests before anything else.

Economic issues, rather than political issues, will top Korea's external relations, So Sang-mok, director general for policy coordination at the Democratic Liberal Party, said yesterday.

He gave credit to President No Tae-u's government for such diplomatic achievements as the opening of formal relations with China, Russia and other former Communist nations.

But he criticized the incumbent government for neglecting national economic interests while negotiating diplomatic relations with those countries.

"With its northern policy, the incumbent government has expanded diplomatic relations to almost all countries in the world," he said. "In the process, however, the government has somewhat neglected our national economic interests."

President No offered economic aid to former Communist nations in exchange for official relations. Some of the countries have defaulted on the payment of interest.

The new government will strengthen economic relations with the United States, Japan and the European Community, So said in an interview conducted shortly after Kim Yong-sam of the Democratic Liberal Party was declared winner in the presidential election.

Here again, national economic interests will be given top priority. So said, "We will give what we will have to and take what we deserve in our relations with the three powers."

The new government will also change domestic economic policy so that it can revive the sagging morale of businessmen, workers and families, said So, who received a doctorate in economics at Stanford University and later served as vice president of the Korea Development Institute.

To promote industrial competitiveness, he said, the new government will lower interest rates, promote investment in technology development and lift restrictions on business activities.

During his campaign, President-elect Kim promised to lower interest rates to a single digit from the current market rate of about 14 percent.

"As a short-term measure, the new government will lower regulated interest rates," he said. "To tackle fundamental problems, however, the new government will promote deregulation in the banking sector."

Such measures, he said, will improve the quality of services offered by the banking industry and its efficiency.

With regard to investment in technology, he said, government spending will rise from the current 3 percent of the budget to 5 percent in 1998.

"Our future depends on technology," he said. "The government will give top priority to technological innovation. Our efforts will be funneled into a technology development drive as they were into an export drive in the past."

Industry, universities and research institutes will be brought close for cooperation in technology development, he said.

The new government will push for small businesses' industrial restructuring, he said, adding that tax breaks and other help will be extended.

Small businesses, however, will have to stand on their own instead of relying on government protection for survival, he said.

They need to prepare for rising wages and develop complementary relations with larger businesses, he said.

Paper Outlines Kim Yong-sam's Economic Plan

SK2012092092 Seoul THE KOREA TIMES in English
20 Dec 92 p 10

[Text] Overall Policy

- To create a new economic preparation committee
- To encourage conglomerates to seek specialization and to introduce measures to ease economic concentration.
- To curb inflation below 3 percent within two years
- To increase GNP to 700 billion dollars with per-capita GNP of 15,000 dollars by 1998
- To generate a trade surplus from 1994.
- To lower interest rates to single digits from 1994.

- To trim Korea's trade deficit with Japan by 50 percent by 1996.

- Bold financial reforms, including autonomous operation of financial institutions

- Mergers and integration of economic ministries and agencies

- To oppose rice imports

- Gradual implementation of the real-name financial transaction system

- To promote the functions of the Monetary Board of the Bank of Korea

- Simplification of export and import procedures

- Revitalization of the stock market

- Doubling investment in R & D in science and technology by 1998

- To inaugurate the information Industry Development Council

- To convert the Communications Ministry into the Information & Communications Ministry

- To double electricity supply by 1998

- To lower taxes for the low-income bracket

- Tax incentives for small and medium-sized firms

- To ease regulations on land-related laws

- To abolish quasi-taxes

Agriculture & Fisheries Industry

- To inaugurate a committee for the development of farming and fishing villages.

- To invest 42 trillion won in farming and fishing industries over the next decade

- Designation of farmers and fishermen's day

- To extend subsidies to increase farming and fishing households' income

- To expand ownership limits of farming land

- To extend subsidies to buyers of farming and fishing equipment

- To cultivate farming and fishing businessmen with international competitive edge

- To push for the implementation of farm and livestock products supply stabilization program

- To improve the distribution system for agricultural and fisheries products

- To introduce a pension system for farmers and fishermen

Small and Medium-sized Industry

- To inaugurate the emergency committee for small and medium-sized companies under the wing of the President

- To ease application procedures for venture capital companies' founders

- To double funds for helping small and medium-sized firms conduct structural adjustments and lower loan rates for small and medium-scaled firms by 1998

- To establish national banks exclusively for small and medium-scaled firms in Incheon, Kwangju and Taegu

- To allow for 20-40 percent special deductions in corporate tax for small businesses

- Tax exemptions for small companies

- To enable banks to discount more bills issued by small and medium-sized firms

Welfare Society

- To provide clean tap water

- To ease traffic jams in major cities

- To expand intra-city railroad networks

- To construct 500,000 housing units every year to raise the housing ownership ratio to 90 percent by 1998.

- To expand housing loan financing

- To set up welfare centers for the aged and handicapped

- To create rehabilitation and training centers for the handicapped

Foreign Reaction to Kim Yong-sam Victory

Clinton Not Ready To Comment

SK1912025792 Seoul YONHAP in English 0224 GMT 19 Dec 92

[Text] Washington, Dec. 18 (YONHAP)—Members of President-elect Bill Clinton's transition team said Saturday that they had yet to prepare an official comment on South Korea's presidential election.

They will discuss with Clinton and make an official note of the results of the election some time next week.

President George Bush sent a congratulatory message to President-elect Kim Yong-sam, the White House said.

Hong Kong Media React

SK1912033992 Seoul YONHAP in English 0151 GMT 19 Dec 92

[Text] Hong Kong, Dec. 19 (YONHAP)—Hong Kong newspapers reported Saturday that the Korean election had proved the maturity of democracy in the country.

Kim Yong-sam, candidate of the Democratic Liberal Party, was elected South Korea's first civilian president in 32 years and that the election was carried smoothly without violence or protest, they said.

The SOUTH CHINA MORNING POST and other papers put the results of the election in the front page or as the top story in the foreign news section and included photographs.

They all noted that Korean people had chosen the first president in 32 years who had no military background and said this election proved the maturity of Korean democracy despite the sporadic accusations of vote-buying.

Japan's Leaders Offer Congratulations

SK1912045492 Seoul YONHAP in English 0254 GMT 19 Dec 92

[Text] Tokyo, Dec. 19 (YONHAP)—Japanese Foreign Minister Michio Watanabe, congratulating Kim Yong-sam on his election as the next president of South Korea, expressed respect Saturday to the Korean people for their efforts to conduct fair presidential election.

"Japan expects Korea and the Korean people will develop and prosper further under a new president," Watanabe told reporters.

He said Japan would join hands with the new Korean president to upgrade bilateral ties.

Watanabe cabled a congratulatory message to Kim, officials said.

Meanwhile, a Foreign Ministry official said that Japan welcomes the outcome of the presidential election in South Korea as it shows democratic progress.

Prime Minister Kiichi Miyazawa might attend the inauguration of Kim Yong-sam on Feb. 25, following the precedent of former premier Noboru Takeshita, who attended President No Tae-u's inauguration in 1988, he said.

The Japanese Government did not expect any big change in Korean policy toward Tokyo, the official said, noting that Kim knew well about Japan and was making much of Korea-Japan ties as the representative of the ruling Democratic Liberal Party.

Other officials said, however, that Kim, being a civilian leader, might be heavily affected by public opinion in dealing with the trade imbalance with Japan, the problem of the forced prostitution of Korean women for Japanese soldiers during World War II and other bilateral issues.

Japanese Opposition Welcomes Victory

*SK1912100392 Seoul YONHAP in English 0716 GMT
19 Dec 92*

[Text] Tokyo, Dec. 19 (YONHAP)—Opposition parties of Japan welcomed the election of Kim Yong-sam as next president of South Korea Saturday, describing his victory as "a democratic step forward."

The largest opposition Japan Socialist Party said it had acquaintance with Kim and that it hoped problems regarding the evaluation of the 1965 Japan-South Korea normalization treaty could be resolved at once.

Russia Welcomes Victory

*SK1912100892 Seoul YONHAP in English 0735 GMT
19 Dec 92*

[Text] Moscow, Dec. 19 (YONHAP)—Russia welcomed the election of Kim Yong-sam as next president of South Korea Saturday, saying it signalled a good future for bilateral relations.

A Foreign Ministry statement said that Russia had always regarded Kim as a friend and highly evaluated him as a person who had contributed to the democratization of Korea.

Kim is the first high-profile South Korean political leader that visited Russia and he made a great contribution to establishing diplomatic relations between the two countries, the statement said.

Namkung Chin Fills Kim Tae-chung's Seat in Assembly

*SK1912044692 Seoul YONHAP in English 0229 GMT
19 Dec 92*

[Text] Seoul, Dec. 19 (YONHAP)—Namkung Chin, a deputy secretary-general of the Democratic Party and first reserve from the National Constituency, will succeed to Kim Tae-chung's seat in the National Assembly.

After conceding defeat in the presidential election, Kim said Saturday that he was resigning from the assembly. The DP has 94 seats in the 299-seat parliament.

Stock Market Shares Rise Following Elections

*SK1912045792 Seoul YONHAP in English 0304 GMT
19 Dec 92*

[Text] Seoul, Dec. 19 (YONHAP)—Heavy buying prompted by Kim Yong-sam's election victory pushed share prices up 22 points on the Korea Stock Exchange, but they quickly retreated for a gain of 8.79 points as of 10:40 Saturday morning.

The market was closed Friday for the presidential election.

The Korea composite stock price index soared from the opening bell of the half-day session, passing 680 points before settling back to 669.29 at 10:40.

Some 26 million shares changed hands on turnover of more than 340 billion won (431 million U.S. dollars). Most industrial issues went up with just 30 declining and 60 remaining unchanged. Some 720 issues advanced, including 80 touching the upper limit.

The surge was blunted by institutional investors' selling around 500,000 shares in large manufacturers, but a general buying mood was still in the air, securities sources said.

The investing spirit was released when the presidential election finished smoothly, they said.

No Urges People To Rally Behind Kim Yong-sam

*SK2112081792 Seoul YONHAP in English 0721 GMT
21 Dec 92*

[Text] Seoul, Dec. 21 (YONHAP)—President No Tae-u urged the people Monday to rally around his successor, Kim Yong-sam, in order to unify the nation and raise it to the ranks of the world's advanced countries within this century.

Now was the time to bridge any gaps between political parties, regions, classes and generations that had opened

during the presidential election, No said in a morning address to the nation on television.

"The most urgent task facing us now is national reconciliation and solidarity," No said. "We cannot hope to maintain stability if there is no reconciliation. And if there is no stability, we cannot hope to realize the reforms and change we all want."

No said he was convinced that Kim would be able to lead the government on the solid moral and legitimate ground he had acquired by winning the presidency through a fair and clean election.

Later, No invited Kim to Chongwadae [presidential offices] for lunch.

At their meeting, they agreed to work closely together for a smooth transfer of government, scheduled for February, officials said.

Specifically, No advised Kim to form a transition team as soon as possible to map out the goals and directions of his government. He would not spare any money or manpower to undertake the legal and systematic preparation for Kim's inauguration, No said.

Kim asked No for support after explaining his administrative goals and pledges to the voters during his election campaign, the officials said.

Following the meeting with No, Kim was to leave for his home town on Koje island, near Pusan, to visit the grave of his mother. He will also call on his father in Masan before returning to Seoul on Wednesday for a meeting with former Presidents Chon Tu-hwan and Choe kyu-hah. He also hopes to meet with Kim Tae-chung, his friend and rival in the presidential election.

In a related development, Prime Minister Hyon Sun-chong held the 11th meeting of his cabinet ministers concerned with the election to discuss an overall report on the presidential election and what to do with the violators of the election law.

In his address, President No vowed that the government would continue thorough investigation and sternly punish anyone found to have violated the election law.

"We have to correct the mistaken idea that election law violators are off the hook once the election is over," No said.

At the cabinet meeting, Home Affairs Minister Paek Kwang-hyon reported that as of Dec. 17, the last day of official campaigning, 2,945 election violators had come to the attention of authorities. Of them, 1,841 were booked, Paek said.

Meanwhile, Kim Tae-chung met with co-leader of the Democratic Party Yi Ki-taek Monday morning to discuss the future of their party.

In their meeting, Yi reportedly asked Kim to name him his successor as the representative of the party. He also

proposed to name Kim a standing adviser, but Kim declined both suggestions, party sources said.

Kim told Yi, however, he would do his utmost to help Yi carry out party affairs, indicating that he would leave the party leadership to Yi at least until the national convention, scheduled for March 1993.

The United People's Party, on the other hand, held a meeting of senior party officials, chaired by executive chairman Kim Tong-kil in the absence of Chong Chuyong. They all tendered their resignations from their party posts and left the matter up to Chong.

Pyon Chong-il, spokesman of the United People's Party, said Chong was visiting Kyongju and other cities while trying to map out the future of the party. Normal operation of the party could not be expected to resume until Chong returned to Seoul after Christmas, Pyon said.

Kim Tae-chung's Retirement Viewed

SK2212020092 Seoul THE KOREA HERALD
in English 22 Dec 92 pp 1, 2

[By staff reporter Sin Yong-pae]

[Text] The departure of Kim Tae-chung from politics following his election defeat is likely to ignite an intense power struggle within the minority Democratic Party.

Although party co-chairman Yi Ki-taek is tentatively expected to lead the party, he must fight off challenges from the mainstreamers who were loyal to Kim.

A party source said the DP's main faction will seek to promote its own leader to compete with Yi, who leads a smaller group within the party.

The DP, the nation's second largest political party, is scheduled to hold a national convention next March to form its new leadership.

It is generally viewed that Yi is not certain to become the leader of the post-Kim Tae-chung era because many of Kim's followers question Yi's political strength. Yi's group commands the support of 40 percent of party deputies but has only 15 out of the DP's 95 parliamentary seats.

The mainstreamers also cite that the party fared poorly in the election in Yi's home turf of Pusan, the country's second largest city. Yi's group represents Pusan and its surrounding South Kyongsang Province, while the main faction controls the party's political bastion in the Cholla provinces. The DP is the product of a merger in September last year between two political groups.

Yi may be stripped of his current post, as some party officials are demanding that he assume responsibility for the election debacle. He served as the chief campaign manager for Kim.

Furthermore, leading figures of the main faction will reportedly plan to become a "next-generation" opposition leader.

They include Kim Sang-hyon, Chong Tae-chol, Kim Yong-pae, Kim Won-ki and Cho Se-hyong, who all are members of the Supreme Council, the party's top decision-making body. They were elected through a free competition in the May convention.

Even well-known party lawmakers of Yi's group, including floor leader Yi Chol, spokesman Hong Sa-tok and supreme Council member Yi Pu-yong, have reportedly kept their distance from Yi.

In addition, the unexpectedly strong showing of maverick candidate Pak Chan-chong in the election may boost the challengers' chances for becoming the next leader.

Party sources said a belief that the next party leader should be a younger politician than the 55-year-old co-chairman Yi, is gaining momentum.

Political observers predict that Yi and any challengers may seek to adopt a collective leadership system to avoid a possible party breakup as a result of the expected intraparty feuding.

Apart from the leadership matter, establishing a new opposition party through a merger with the minority United People's Party is expected to be taken up by DP officials.

A DP official raised the need for the new, strong opposition party.

"Through the election, the DP has shown its limits by failing to meet the aspirations of many young voters in their 20s and 30s and to attract supporters from other regions than Seoul and the Cholla provinces," he reasoned.

In the event that the minority DP and UPP fail to merge with each other, they may seek a policy coalition to introduce a parliamentary government system, the official predicted.

Moreover, Kim's departure from politics may serve as an occasion which enables the DP to "absorb" other politicians who are against Kim Tae-chung and Kim Yong-sam, and possibly deserters from the majority Democratic Liberal Party.

In this sense, Kim Tae-chung's retirement from politics augurs a political realignment of opposition parties, experts say.

Vice Chairman of Joint Chiefs of Staff Replaced

SK1912111492 Seoul YONHAP in English 1004 GMT 19 Dec 92

[Text] Seoul, Dec. 19 (YONHAP)—The government is learned to promote Lt. Gen. Kim Chae-chang, director

of the Defense Ministry's policy study office, to four-star general and name him the first vice chairman of the Joint Chiefs of Staff replacing Gen. Song Ung-sop.

A source, who refused to be named, told Saturday that Kim's promotion would be approved at a cabinet meeting on Dec. 24.

In the meantime, the Army announced it promoted five major generals to lieutenant generals while promoting 23 brigadier generals to major generals.

The Navy also conducted a shakeup affecting four rear admirals including Yi Chi-du, director of personnel office, to commander of the Second Fleet, according to the source.

Army Announces Promotions of General Officers

SK2012065092 Seoul THE KOREA HERALD in English 20 Dec 92 p 3

[Text] Five Army major generals will be promoted to lieutenant generals 28 to 29 years after they were commissioned as second lieutenants.

Effective Thursday, 23 Army brigadier generals will become two-star generals in the regular promotions of officers, the Army announced yesterday.

The five major generals to be promoted include Yi Chun, Kwon Chin-ho, Kim Kil-pu, Cho Song-tae and O Yong-u.

Yi, director of the Defense Ministry's Investment Project Coordination Bureau, will head the ministry's Logistics Center, while Kwon, chief of staff of the 3rd Army, will become new commander of the Army Intelligence Command, according to an Army spokesman.

The three others will be named commanders of the Army Corps, the spokesman said. Their predecessors are to be transferred to Defense Ministry posts, he said.

Yi and Kwon were members of the Korea Military Academy's 19th graduating class (1963) and the other three graduated from KMA in 1964.

Lt. Gen. Kim Chae-chang, assistant defense minister for policy management, will likely be promoted to a four-star general, succeeding Gen. Song Ung-sop, first vice chairman of the Joint Chiefs of Staff, who is to retire soon, said the spokesman. But he said the promotion will be officially announced at a cabinet meeting Thursday.

Of the 23 one-star generals to be promoted to major generals, 10 will be appointed as new division commanders, the spokesman said. They include Pak Yong-ik, chief of staff of the Capital Defense Command, and Maeng Gwijae, member of the Army Policy Committee.

Maj. Gen. Yi Chong-hwan, inspector-general of the Army, will be named acting commander of the Logistics Command, according to the spokesman. Yi will serve for

six months or a year as the acting commander, to establish discipline and eliminate corruption in the scandal-ridden command.

Lt. Gen. Pae Il-song was relieved of his post as commander of the Logistics Command last month in the wake of a bribery scandal involving his subordinate officers.

Hyundai Future 'Uncertain' in Election Aftermath

SK2112004292 Seoul CHUNGANG ILBO in Korean 19 Dec 92 p 8

[Article by reporter Kim Il]

[Text] The Hyundai Business Group, a very important component of our national economy, now has an uncertain future because United People's Party [UPP] President Chong Chu-yong failed in his bid for the presidency.

Some people even call this the "most serious crisis in the 45 years since the group's founding."

Considering what took place during the previous election campaign, the Hyundai Business Group believes that the new government will most likely restrict business conglomerates' activities. This is because the current government is not happy about business conglomerates' participation in politics and as a result the new administration may take punitive measures against business conglomerates. Chong Chu-yong, the founder of the Hyundai Business Group, promised that he would "disintegrate business conglomerates" if elected. This will also serve as a burden for the Hyundai Business Group.

Scores of high-ranking Hyundai Business Group officials have been in hiding because investigation authorities have been trying to arrest them on charges of violating the election laws. The operation of the Hyundai Business Group has been abnormal because the entire group wholeheartedly participated in the UPP's election campaign. Therefore, it will be very difficult for the Hyundai Business Group to normalize its operation. Also, many high-ranking Hyundai Business Group officials believed even on 18 December that Chong Chu-yong would surely win in the election. Therefore, they were greatly shocked at Chong Chu-yong's defeat and are very worried about the group's future.

A high-ranking Hyundai Business Group official said right before election day: "It would be good for the UPP to become the largest opposition party even if presidential candidate Chong Chu-yong may lose the election." In this way, he expressed his expectation that the UPP would serve at least as a buffer for the Hyundai Business Group.

Hyundai's exports account for 11 percent of our country's total exports, and its annual turnover is 44 trillion won. Our country's budget for 1992 was 33 trillion won. Therefore, if Hyundai becomes shaky, this will greatly

affect the national economy. Therefore people are particularly interested in Hyundai's future.

Hyundai will face its first trial when high-ranking group officials, including the presidents of its major affiliate companies, are detained on charges of violating election laws, such as the use of Hyundai Heavy Industries secret funds for the UPP's election campaign and when, as a result, the group faces a serious management crisis.

So far, 13 Hyundai officials, including Um Yong-ki, president of the Hyundai Furniture Company, have been detained, arrest warrants were issued for eight officials, including Choe Su-il, president of the Hyundai Heavy Industries Company, and 24 officials, including Kim Hyong-pyok, president of the Hyundai Heavy Equipment Company, and O Chung-cho, director of the group planning office, were placed on the wanted list. Therefore, if some more high-ranking officials are detained, Hyundai will face a very serious management crisis.

The National Tax Administration may start a tax investigation of Hyundai, and even UPP President Chong Chu-yong may be under investigation.

Political circles and some corners of the government think that individuals' control of the Hyundai Group is a problem. Therefore, if very strong measures are taken against Hyundai, the Chong family may be forced to sever its ties to Hyundai.

Still, many Hyundai Group officials believe that the government's options for the Hyundai Group are limited because UPP President Chong Chu-yong is now a force to be reckoned with in the political circles and because our society has achieved democracy to a certain extent. They also believe that Hyundai will be able to overcome the current crisis by turning adversity into advantage.

During the election campaign, Chong Chu-yong promised that he would "disintegrate" business conglomerates. Therefore, he may be compelled to show that Hyundai is going in that direction. However, Hyundai insists that Chong Chu-yong promised that he would break up business conglomerates if elected. So, Hyundai shows no sign of breaking up. What Chong Chu-yong meant when he said that he would break up business conglomerates if elected was the breaking up of business conglomerates into small groups controlled by sons of those business conglomerates' founders. Therefore, Hyundai may be gradually divided into several small groups.

Chong Chu-yong's sons are now in charge of one to six Hyundai affiliate companies. Therefore, the focus of attention is which son will take charge of the Hyundai Heavy Industries, Construction, and Petrochemical Companies and the Hyundai Trading Corporation, which none of his sons take charge of.

The focus of attention is also whether Hyundai Chairman Chong Se-yong (younger brother of Chong Chu-yong) will continue running the Hyundai Motors Corporation or whether Chong Mong-ku, chairman of

the Hyundai Precision Industries Company and first son of Chong Chu-yong, will take charge of this company. Whether lawmaker Chong Mong-chun, another son of Chong Chu-yong, will take charge of some Hyundai affiliate companies or whether he will devote himself to politics while maintaining control of the MUNHWA ILBO newspaper company is also the focus of attention.

Chairman: Hyundai Will 'Stay Away From Politics'

SK2112043392 Seoul YONHAP in English 0151 GMT
21 Dec 92

[Text] Seoul, Dec. 21 (YONHAP)—Executives of the Hyundai Group on Monday signalled a desire for reconciliation with President-elect Kim Yong-sam and the government, stung by group founder Chong Chu-yong's dismal third-place finish in Friday's presidential election.

Chong Se-yong, group chairman and younger brother of Chong ju-yung, told the meeting that in the future Hyundai would stay away from politics.

He said he expected that since Kim Yong-sam insists upon national reconciliation, he would show tolerance and generosity toward Hyundai so the group could still play a major role in the economic development of the country.

Chong said he will soon visit Prime Minister Hyon Sung-chong and appeal for government understanding and cooperation in the course of an investigation of Hyundai affiliates under suspicion for illegal diversion of company funds to his brother's United People's Party during the election.

He would meet with President No Tae-u and Kim Yong-sam, if conditions permit, to affirm definitely that Hyundai will never put its nose into politics again, Hyundai sources said.

Prosecution To Handle Hyundai Case 'Prudently'

SK2112045292 Seoul YONHAP in English 0257 GMT
21 Dec 92

[Text] Seoul, Dec. 21 (YONHAP)—Prime Minister Hyon Sung-chong said Monday that the law-enforcement authorities would deal with their investigations into alleged illegal campaigning by the Hyundai Group "prudently" according to the importance of the charges.

"The United People's Party [UPP] has withdrawn all the suits that it filed in the course of the presidential election campaign, but the prosecution will evaluate the weight of the charges involved and deal with them prudently," Hyon said.

"In regard to the top official's secret meeting in Pusan, a thorough investigation is to be made and at the same time a probe into the taping should be implemented if legal punishment is applicable.

"There is a saying that taping is difficult to punish under the present laws, but I think that the prosecution will examine it carefully and handle it reasonably."

Meanwhile, the National Police Administration said Monday that three or four people wanted on charges of illegal diversion of Hyundai Heavy Industries Co. money to the UPP had informed the police that they would surrender.

But if they did not appear on Monday, the police would obtain warrants for their arrest, a spokesman said, adding that the police would finish their investigations into four Hyundai affiliates suspected of illegal campaigning.

SRV Ties 'Finishing Touch' to Northern Policy

SK2212024892 Seoul KYONGHYANG SINMUN
in Korean 21 Dec 92 p 3

[Editorial: "A New Era of ROK-Vietnamese Cooperation"]

[Text] The establishment of diplomatic relations between our country and Vietnam is significant in that it brings forth two positive results. One is the political and diplomatic success in liquidating the unhappy relations between the two countries in the past cold-war era. This means, for our part, another finishing touch to our northern policy along with the establishment of diplomatic relations with the former Soviet Union and China.

The past history of relations between the two countries symbolized by the dispatch of our Armed Forces to Vietnam from 1964 to 1973 does away with the knots and tangles thereof by the establishment of diplomatic relations, and we have now achieved the normalization of relations with the major socialist states of the world.

Another positive result is that the establishment of diplomatic relations will contribute to the vitalization of our slack economy through our economic cooperation with Vietnam, which is the last country offering positive economic potential to us in Southeast Asia. In fact, the trade volume between the two countries was \$250 million during the first nine months this year without the establishment of diplomatic relations. With our businesses extending their activities into Vietnam, the trade between the two countries will increase significantly. The establishment of diplomatic relations which is realized with this background puts forth new tasks for our government and business circles.

First, we should bear in mind that we should not indulge only in economic interests. The government should make political and diplomatic efforts to practically resolve the special past history between the two countries. In view of the fact that we are still experiencing conflict over the unresolved past history between the ROK and Japan, we should make efforts to resolve the conflict which the Vietnamese people might hold toward the ROK. Our dispatch of troops to Vietnam and the issue of the offspring left in Vietnam by Korean fathers

are potential elements of conflict that cannot be resolved by the establishment of diplomatic relations alone.

Vietnam does not let these issues surface to the front because of the economic difficulties Vietnam faces now, but they certainly are the problems that should be solved sooner or later. The government should keep this in mind in its foreign policy toward Vietnam. This is all the more so in view of the influence of Vietnam on the other countries of Indochina, such as Laos and Cambodia.

Second, we should establish our position for the economic cooperation between the two countries and our economic advance to Vietnam. In view of Vietnam's abundant natural resources and manpower, it is very important for us to foster Vietnam as our new bridgehead in Southeast Asia. Foreign capitals are now making fierce competition in Vietnam. In order for our businesses to advance successfully into Vietnam and intensify economic cooperation between the two countries, the excessive competition among our businesses should

be checked, and meticulous advance survey and research is necessary to grasp the poor investment environment to cope with there.

These tasks should be carried out by the businesses entering into the Vietnamese market themselves in the first place, but the government should give necessary support and carry out a coordinating role for them. These efforts well coordinated, we may be able to successfully consummate the northern policy with the establishment of diplomatic relations with Vietnam.

Proposal Accepted for 24 Dec JNCC Contact

*SK2212053592 Seoul KBS-1 Radio Network in Korean
0510 GMT 22 Dec 92*

[Text] Kong No-myong, our side's chairman to the North-South Joint Nuclear Control Committee [JNCC], sent a telephone notice to Choe U-chin, the North side's chairman, today. In the notice, he accepted the 24 December members' contact proposed by the North side. He proposed that the date for the 14th full-fledged JNCC meeting be decided at the members' contact.

Burma

NCGUB Asks France To Postpone Gas Project

BK1612170092 Hong Kong AFP in English 1654 GMT
16 Dec 92

[Text] Bangkok, Dec 16 (AFP)—Burma's jungle-based dissident government has appealed to the French government to postpone a massive natural gas project in Burma "at the present time."

Bo Hla Tint, a minister in the National Coalition Government of the Union of Burma (NCGUB) also said Wednesday that forced labour was being used to clear the way for a pipeline which will be used to send natural gas from Burma's Gulf of Mataban to neighbouring Thailand.

Total signed an oil production-sharing agreement with Burma's state-run Myanmar Oil and Gas Enterprise (MOGE) in July. As much as 75 percent of the gas from the offshore reserves is to be marketed in Thailand.

The concession covers an area of 26,140 square kilometres (10,456 square miles) in the Gulf of Mataban, some 250 kilometres southeast of Rangoon.

Potential gas reserves in the concession are estimated at 3.5 to five trillion cubic feet.

The NCGUB sent a letter to the French government in October asking that the natural gas project not go ahead for the time being, Bo Hla Tint said.

Burmese dissidents say foreign companies which strike deals with the ruling junta are merely propping up the regime, which has been widely condemned for its human rights abuses, and thereby prolonging the suffering of the Burmese people.

They say the ruling junta spends its profits on arms and ammunition to battle ethnic minority guerrillas seeking greater autonomy and their pro-democracy student fighter allies.

Foreign companies will be welcome to invest in Burma after democracy has been restored, they say.

Total and the Petroleum Authority of Thailand Exploration and Production (PTTE) have already agreed to build a pipeline from the Gulf of Mataban to Thailand to enable the latter to import natural gas, Bo Hla Tint said.

He said forced labour was being used to prepare a route for the pipeline across southeast Burma's jungle-covered mountains.

The most likely route for the pipeline is through the Three Pagodas Pass on the Thai-Burmese border. It was in this same area that Japan used allied prisoners of war and conscripted Asian labourers to build the so-called death railway during the Second World War.

Ethnic minority guerrillas operating in the Three Pagodas area have said they will attack the pipeline.

"The ethnic minorities have the right to defend themselves," Bo Hla Tint said.

Other NCGUB members said Wednesday they had asked the guerrillas to consider human rights if and when they attacked foreign companies working in Burma.

The NCGUB is based in eastern Burma near the border with Thailand in territory controlled by Karen guerrillas.

The parallel government is made up of politicians from Aung San Suu Kyi's National League for Democracy (NLD) who won seats in a May 1990 election but have been denied power by the ruling junta.

The head of the NCGUB is Sein Win, a cousin of the detained pro-democracy leader.

The NLD won more than 80 percent of the seats in the 1990 poll. The junta have ignored the result and Aung San Suu Kyi remains under house arrest in Rangoon.

Urges Opposition to SLORC Convention

BK1912115592 Oslo Democratic Voice of Burma
in Burmese 1430 GMT 18 Dec 92

["Appeal to the People from the National Coalition Government of the Union of Burma"—date not given]

[Text] 1. The National Coalition Government of the Union of Burma [NCGUB] is waging a full struggle together with the indigenous people and parents, monks, laymen, students, and prodemocracy revolutionary forces through various means, including political, diplomatic, and military means, to crush once and for all the SLORC [State Law and Order Restoration Council] military dictatorship.

2. The countries of the world are earnestly supporting Burma's democratic struggle by conferring various awards, such as the Rufto Human Rights Prize, the Sakharov Prize for Freedom of Thought, the Nobel Peace Prize, and the UNESCO Simon Bolivar Prize to the public leader, Daw Aung San Suu Kyi.

3. Preparations are being made at the current United Nations General Assembly to take necessary measures against the SLORC military clique, under which Burma is known for its human rights violation, lack of democracy and justice, and its status as one of the least developed countries. The SLORC military clique is isolated and rejected and is fast approaching total collapse.

4. The military dictators have never wanted genuine internal peace. They created the civil war in order to prolong its evil military dictatorship. At present, the SLORC is preparing for a sham national convention in order to hoodwink the Burmese and international public opinion.

5. The sham convention to be held by the SLORC will not meet the basic requirements of the Burmese society—promotion of genuine democracy, full enjoyment

of basic human rights, equality and self-administration of the national races—and will not be able to establish a genuine internal peace.

6. Hence, the NCGUB would like to solemnly urge the people to resolutely resist by politically challenging the sham national convention to be held by the SLORC, which is aimed at prolonging the life of the military dictatorship in future Burma, and to work in unity with democratic forces in the spirit of nationwide rebellion and nationwide victory until the fascist SLORC military clique is completely crushed.

Karenni Rebels To Release Government POW's

BK2012111492 Hong Kong AFP in English 0849 GMT 20 Dec 92

[Text] Bangkok, Dec 20 (AFP)—Ethnic minority guerrillas operating in eastern Burma said Sunday they would release 13 Burmese government soldiers captured during a battle in early September.

The thirteen, being held at a Karenni guerrilla camp in Kayah state on the border with Thailand, will be escorted back towards Burmese Army positions and set free, a Karenni official said.

Prisoners of war are often executed by both government and rebel forces in Burma's long-running insurgencies.

"We don't want to kill them. We will let them go in the next two or three days," the official said by telephone from the Thai-Burmese border town of Mae Hong Son.

The 13 were captured during a heavy attack by Karenni rebels on a Burmese Government camp at the beginning of September.

According to unconfirmed reports, 21 Burmese troops were captured alive during the battle but eight subsequently died. At least some of them were believed to have been shot.

The Karenni official said Sunday only 13 troops were originally captured and called the reports of 21 being detained Burmese government propaganda.

The Karenni are a small insurgent group fighting for greater autonomy in Kayah state. They are allies of the more powerful Karen who operate to the south.

The September attack by Karenni insurgents opposite Mae Hong Son sparked a diplomatic row between Thailand and Burma when Burmese forces detained 10 Thai officials in early October.

The 10, who had crossed the border to seek the release of some Thai villagers, were held for almost a week while high-level negotiations continued between Bangkok and Rangoon.

Although it was never publicly confirmed by Rangoon, many observers said the Thai officials were detained

because Burma suspected that Thailand was secretly assisting the Karenni guerrillas.

Thailand's most senior army commanders denied that there was any such help.

A human rights activist working on the Thai-Burmese border said Sunday that Burmese soldiers who have been captured by ethnic minority guerrillas were often regarded with great suspicion by their own side if they were released.

"A lot of them just don't want to go back. They are not treated as heroes like other returning POWs," the human rights worker said.

"There is always a danger that their own commanders will think they have switched sides and are returning as infiltrators," he said.

516 More Refugees Repatriated From Bangladesh

BK1912142492 Rangoon Radio Burma in Burmese 1330 GMT 19 Dec 92

[Text] In accordance with the agreement reached between the leaders of the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, two delegations led by camp officials from the country on the other side [Bangladesh] transferred 516 returnees—256 males and 260 females—from 114 households at two reception centers on 18 December.

The delegation led by Mr. (Manuha Hozin Akhan) brought 248 returnees—121 males and 127 females from 54 households—in five boats to our Pyinbyu reception camp at 1100. The second delegation led by Mr. Fazur Raman Faruq from Bangladesh brought 268 returnees—135 males and 133 females from 60 households—in three boats to our Kayinchaung camp at 1000.

The two delegations returned to the country on the other side at 1245 and 1300 respectively.

It is learned that a total of 3,416 persons who left the country illegally—1,697 males and 1,719 females from 767 households—have returned between 22 September and 18 December 1992.

546 More Repatriated 20 Dec

BK2112143692 Rangoon Radio Burma in Burmese 1330 GMT 21 Dec 92

[Text] In accordance with the agreement reached between the leaders of the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by Mr. (Zunowa Hussein Khan), a camp official from the country on the other side, transferred 546 returnees—259 males and 287 females—from 119 households to our Kayinchaung reception centers at 0930 on 20 December. The returnees were brought in by eight boats.

It is learned that a total of 3,962 persons who left the country illegally—1,956 males and 2,006 females from 886 households—have returned between 22 September to 20 December 1992.

Brunei, Malaysia & Singapore

Malaysia

Ghafar Hopes Indonesia Will Drop Islands Claim

*BK2112073292 Kuala Lumpur BERNAMA in English
0329 GMT 21 Dec 92*

[Text] Kuching, Malaysia, Dec 21 (OANA-BERNAMA)—Malaysia's Deputy Prime Minister Ghafar Baba said Sunday night that he hoped the Indonesian Government would drop its claim on the Sipadan and Ligitan islands.

He said Indonesia, which had thousands of islands would not suffer any loss if it dropped the claim on the two islands situated in the waters between Sabah in Malaysia and East Kalimantan in Indonesia.

"I have informed President Suharto of Indonesia of this matter during a meeting with him recently," he said at the national youth awards presentation at the capital of the Sarawak state here.

He said Malaysia and Indonesia had agreed to set up a joint committee to resolve the issue.

Malaysia also faced similar problems with other ASEAN countries like the claim on Sabah by the Philippines, the claim on Pulau Batu Putih with Singapore and in the waters with Thailand, he said.

Ghafar said the problems Malaysia faced with its ASEAN neighbours made it look like Malaysia was a bad country but such matters could not be helped because Malaysia was the only country which shared borders with all the ASEAN countries.

Indonesian Minister Views Bilateral Relations

*BK2212101492 Kuala Lumpur NEW STRAITS TIMES
in English 19 Dec 92 p 9*

[By Manan Osman]

[Text] Kuching, Fri.—The next generation of Indonesian leaders are expected to face more complex problems in the country's relations with its neighbours in the region.

Indonesian acting Foreign Minister Tan Sri L.B. Murdani, who is also defence minister, said it was important that Malaysia realised this so that it would not affect relations.

He said in the past 25 years, numerous problems had cropped up and could have resulted in another confrontation but mutual understanding had prevented this.

Happenings in an area within the 2,500 km radius (of Jakarta) comprising Western Indonesia, Brunei, Singapore, and Malaysia could have an adverse effect on Indonesia.

"A coup in Thailand or the Philippines would not be of much significance, but if such a thing happened in Kuala Lumpur, Jakarta will be immediately affected," he said in his paper "International sociopolitical scenario for the future of Malaysia and Indonesia."

This is the third such dialogue to discuss matters of mutual interest between the two neighbours since 1988. About 120 participants comprising members of youth organisations in both countries are participating in the four-day dialogue.

Similarly, Murdani said, should the Kuala Lumpur Stock Exchange collapse, it would affect Jakarta within an hour.

Malaysia's Foreign Minister Datuk Abdullah Ahmad Badawi, who spoke on the same topic during the dialogue, said the process of globalisation and modernisation facing the world would bring Malaysia and Indonesia closer together.

He said although both countries had their own priorities, the future of the two countries could not be determined without due consideration to the matter which required them to be dependent on one another. The rapid advancement in science and technology dominating the present era required developing countries to improve relations and cooperation.

Minister Says Deviationist Islamic Groups Found

*BK1912104092 Kuala Lumpur NEW STRAITS TIMES
in English 17 Dec 92 p 4*

[Text] Kuala Lumpur, Wed—The government has so far detected 47 groups propagating deviationist Islamic teachings.

Deputy Minister in the Prime Minister's Department Datuk Dr. Abdul Hamid Othman said these groups comprised "dakwah" [missionary] and "tariqat" [mystical] bodies which had the following of a large number of Muslims.

In reply to Ibrahim Jendol (BN-Alor Gajah) [Barisan Nasional member of Parliament for Alor Gajah], he said steps taken to counter these teachings included intensified dakwah [proper religious teachings] programmes for Muslims.

Commentary Lauds Incentives for Service Exporters

*BK1912122492 Kuala Lumpur Voice of Malaysia in
English 0800 GMT 19 Dec 92*

[Station commentary]

[Text] Malaysia needs special emphasis in its services sector, now considered a true color in the nation's industrial and economic development. The services industry will receive a further boost early next year when the government announces its new incentives for exporters of services, especially in the consultancy and construction fields. This move is laudable as the country's growth is dependent on its export and services that Malaysian manufacturers can provide to their existing and potential markets worldwide.

The Ministry of International Trade and Industry, MITI, is in the process of finalizing the details and other desirable (?areas) to be given the incentives which will enable them to further penetrate the markets of newly industrialized countries.

Malaysia's planning strategy is aimed at maintaining its stable economic growth for the next five years. This is necessary in view of the rapid development taking place in the global market place.

Malaysia is seriously concerned about the inconclusive multilateral trade negotiations under the General Agreement on Tariffs and Trade, GATT. Six years have gone by since the Uruguay Round was initiated to take (?roles) of establishing a new international trading system that is open and free. The United States and the European Community have been stalling over the question of farm subsidy. And with the incoming U.S. Administration under Bill Clinton, the president-elect may need time to study the situation and take a new stand if he deems it fit. Thus it may be several months more before the talks would reach a satisfactory outcome for the benefit of all—the developed and developing countries.

The United States and the EC must take into account the fact that a successful conclusion of the talk can result in U.S.\$200 billion being pumped into the global economy. For Malaysia, it may mean an estimated U.S.\$4 billion increase in export trade.

Malaysia practises a free market policy and an open trading system. When its trading partners, especially of the developed world, take steps to curb market access to their markets, there will be problems in maintaining a healthy economic growth. Thus the new measures being taken by the government, apart from holding on to the existing markets, it will be diversification of the markets from emerging economy. At the same time the strategy is aimed at generating domestically induced sources of growth if overseas demand for our goods is reduced. This will result in the diminishing growth of the national economy.

The world economic and trade patterns have changed considerably since the [word indistinct], but in terms of making decision from [word indistinct] it has remained the prerogative and privilege of the new industrialized nations.

This is why Malaysia, along with its partners in ASEAN, is pursuing the objectives of South-South cooperation and the goal of establishing the East Asia Economic Caucus, EAEC. Meanwhile, it is hoped that the new

incentive be [word indistinct] for the services sector for Malaysian exporters to reach as wide a market as possible in the near future.

Property Ownership Rules for Foreigners Relaxed *BK2212095692 Kuala Lumpur NEW STRAITS TIMES* *in English 18 Dec 92 p 1*

[By K.L. Lim]

[Text] Kuala Lumpur, Thurs.—Foreigners who purchase condominium units and houses costing less than [Malaysian dollar] \$300,000 can now re-sell them after three years.

This follows a relaxation of the Foreign Investment Committee [FIC] guidelines of foreign ownership of residential property. This revision in the FIC guidelines has been approved by the cabinet.

A statement issued by the Finance Minister's office today said that the Cabinet approved the revised FIC with a view of creating a more suitable investment climate to attract new foreign and domestic investments.

The Government, in its bid to curb speculation, imposed three major conditions for foreigners owning residential properties in Malaysia.

The FIC guidelines, prior to this latest revision, required that the condominium units, apartments, or houses costing not less than \$500,000 must be owner occupied and cannot be sold within a five-year period.

FIC approval, however, will be given for purchase of condominium units of \$500,000 and above without any conditions attached.

The revised guidelines therefore effectively bring down the threshold price of the unit purchased and reduce the period before resale is permissible.

The other two major conditions remain unchanged. They are:

- restriction of ownership to not more than one unit of residential property by an individual foreigner.

However, if ownership of the properties is for investment purposes, the foreigner must incorporate a local company with 70 percent of the equity held by Malaysians, of whom 30 percent must be in the hands of bumiputeras [indigenous people].

- ownership of shophouses must be via a locally-incorporated company with 70 percent of the equity held by Malaysians, of whom 30 percent must be owned by Bumiputeras.

Prior to this revision, several quarters have expressed their concern over the implementation of the guidelines which covered foreign purchases of properties including terrace houses, apartments, and condominiums.

The Housing Developers' Association, which was one party that was vociferous on this matter, made representations to the Government.

It claimed that as a result of the tight FIC guidelines, at least 19 upmarket property projects worth \$3.38-billion which are taking off or getting off the ground would face uncertainties.

Cambodia

Six Government Positions Abandoned in Battambang

BK1812053992 Phnom Penh SPK in French 0400 GMT 18 Dec 92

[Text] Phnom Penh 18 December (SPK)—The government forces on 14 December temporarily abandoned four of their positions because of attacks carried out by Division 415 Khmer Rouge troops since 9 December, said a military report. They are the State of Cambodia's 196th Division's positions on coordinates TV27/61-26/64, TV33/72, TV31/71, and TV32/69 in the northwestern region of Battambang Province.

The report added: "On the same day, two more positions of the government Armed Forces' 6th Division at Ta Hen and Tuol Krasang in the same province were also evacuated during attacks by the guerrillas who continued shelling the district of Bavel, resulting in many local people wounded."

On 11 December in Siem Reap Province, a villager was killed and another injured by a land mine planted by Khmer Rouge troops at Andong Thom in Banteay Srei District.

And at 1000 on 10 December in Preah Vihear Province, 20 Khmer Rouge elements ambushed a vehicle in an area 10 km east of Tbeng District. As a result, three government soldiers were killed and a passenger seriously wounded.

Minister Hor Namhong Gives 15 Dec Interview

BK1912125192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 19 Dec 92

[Interview with Foreign Minister Hor Namhong by unidentified correspondent of the Japanese (TOKYO SHIMBUN) on 15 December—read by announcer]

[Text] [Correspondent] My first question is how can you as well as the international community persuade the Khmer Rouge to return to the peace process and is there any possibility of doing so?

[Hor Namhong] You should realize that the Khmer Rouge are always the Khmer Rouge. We have no hope for the change of the Khmer Rouge's mind and position on the implementation of the peace accord. So the question is that if the Khmer Rouge continue to refuse to

execute the peace agreement and continue to breach it, what should the international community and the UN Security Council [UNSC] do? This is the first point. And the second point is that if the Khmer Rouge hinder the election process, what should we do? We believe that the Khmer Rouge will not allow the election process to proceed peacefully. I am therefore of the opinion that the mandate of UNTAC [UN Transitional Authority in Cambodia] should be amended in accordance with the situation or in response to the Khmer Rouge attitude.

[Correspondent] How should the mandate of UNTAC be amended?

[Hor Namhong] Former French Foreign Minister Claude Cheysson, who recently paid a visit to Cambodia, said it appeared that there was a contradiction in UNTAC's mandate—UNTAC is mandated to maintain peace in Cambodia but it lacks the means of so doing. So when the Khmer Rouge daily breach the peace accord, UNTAC cannot do anything against the Khmer Rouge. Also, one should understand that for more than one year since the signing of the peace accord, there has been no equilibrium in the implementation of the peace blueprint: One party has not effected the accord while another party, meaning the State of Cambodia, has fully executed the implementation and cooperated with UNTAC. Moreover, we should also be on the alert since if the Khmer Rouge are allowed to join the elections at the final stage, the elections would not be free and correct. It is the opinion of some that the door will always remain open until the last minute for the Khmer Rouge to take part in the elections and that the elections could be organized in the Khmer Rouge-controlled regions later. That being the case, the elections will not be free and correct, and we will not be able to accept such elections. The SOC has allowed UNTAC's verification and control for more than one year while the Khmer Rouge have denied access to UNTAC. So in the end if they join the elections, they want only a casual supervision of UNTAC in the regions they control.

[Correspondent] Is there a strong possibility that the Khmer Rouge would participate in the elections at the last minute?

[Hor Namhong] This eventuality cannot be dismissed since the Khmer Rouge have already set up their official political party, the National Unity of Cambodia Party [Pak Ekpheap Cheat Kampuchea]. But they continue to refuse to open their areas for verification and control of the implementation of the accord's second phase of the cease-fire.

[Correspondent] In your opinion, what is the ultimate aim of the Khmer Rouge?

[Hor Namhong] The Khmer Rouge's ultimate and most serious aim, which we call a strategic goal, is to retake power. For the Khmer Rouge, it is certain that power is for power.

[Correspondent] Through what means?

[Hor Namhong] Through all possible means. They are currently trying to take advantage of the peace accord, and if they cannot do so, they will resort to military measures. In any case, if the Khmer Rouge cannot win the elections in the future, they will resume fighting no matter what.

[Correspondent] Now, do you want UNTAC to fight against the Khmer Rouge, as this is not part of the authority's mandate?

[Hor Namhong] At present, this is not part of UNTAC's mandate. It is the UNSC which should hand down the decision. As I mentioned before, the Khmer Rouge will not allow the normal election process to proceed. They will resume fighting in the course of the elections. So what should UNTAC do? This is my question, to which UNTAC should give an answer.

[Correspondent] In my opinion, some officials of your government seem to have the impression that it was a mistake for the government to sign the peace accord because now the government alone monopolizes the power and in the future, the government might lose the power through the elections?

[Hor Namhong] I will not say that this was a mistake. But frankly speaking, I should say that some of our people have the impression that since the signing of the peace accord, we have lost a great deal of territory because of our respect for the accord and cease-fire. As for the Khmer Rouge, they have captured many areas that we used to control. Besides, before the signing of the accord, there was no Khmer Rouge presence in our regions, but now a significant number of Khmer Rouge elements are secreted among our people in order to carry out sabotage activities. We are not able to arrest them because we respect human rights. That being the case, you can see that, taking advantage of the peace accord, the Khmer Rouge, on the one hand, are fighting to capture more territory and on the other, they send their elements to our regions in order to conduct sabotage against our state authorities. So, regardless of anything else, one should understand this point.

[Correspondent] In your opinion, are there any shortcomings in the Paris accord or has UNTAC not done a good job?

[Hor Namhong] The Paris accord is a good one and UNTAC has worked in a favorable situation. However, the problem is that the Khmer Rouge, who are always the Khmer Rouge, have never changed their political position. When we signed the accord, we had already seen their attitude and stance. Now, everybody sees how the Khmer Rouge are impeding the peace process. Article 29 of the accord says: In case there is violation of the peace accord, the cochairmen [of the Paris International Conference on Cambodia] will meet to take appropriate measures. It is quite obvious that the Khmer Rouge have breached and threatened the accord. So the cochairmen and the UNSC should envision appropriate measures—I mean the Khmer Rouge should be excluded from the

peace process. This is one issue. Another issue concerns the UNSC, which is responsible for the implementation of the accord in Cambodia. The council should amend UNTAC's mandate in keeping with the new situation created by the Khmer Rouge. These are the two major points in the current situation concerning the settlement of the Khmer Rouge problem.

[Correspondent] Should UNTAC's mandate be amended and should the UNTAC forces be allowed to retaliate against the Khmer Rouge? Is there sufficient manpower to fight them?

[Hor Namhong] We do not ask UNTAC to fight the Khmer Rouge but strengthen its peacekeeping operation and the process of implementing the peace accord because UNTAC is mandated to execute the agreement in Cambodia. However, the accord has not fully been implemented across Cambodia. According to the accord, UNTAC can, without authorization from the Khmer Rouge, enter the Khmer Rouge-controlled areas to organize elections. However, UNTAC cannot gain access to the Khmer Rouge zones. So I would like to ask what was done during the Gulf crises, in Yugoslavia, and in Somalia now. Why can nothing be done to the Khmer Rouge since they are genocidal murderers and currently trying to bring genocide back to Cambodia. The international community should realize this.

[Correspondent] Your government is in control of almost all of the country and now you are assuming 100 percent power. However, the power will be diminished because it must be shared by other parties after the elections. What do you think about this?

[Hor Namhong] Before signing the Paris peace accord, we had negotiated for several years to reach the agreement. We have clearly understood what we have signed. So it is not correct to say that we fear losing power after the elections. Concerning the barbaric activities in some areas, we have sent instructions to all provinces and asked them to maintain security for the offices of political parties in various localities. And later we will send new instructions to those provinces, asking them to promote close cooperation between our police and UNTAC police so as to prevent such cruel activities from recurring. In the past, despite investigations jointly conducted with UNTAC, we were not able to determine who were responsible for those actions. However, we understand that if a crime happens in one of the areas we control, the first impression is that the local authority should be held responsible. Anyway, as I told you, the Khmer Rouge have sent their elements to cities and every nook and cranny of the country to carry out acts of sabotage in an attempt to foment disturbance. So who can argue that the Khmer Rouge do not commit barbarous acts. Cruel actions against FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and other parties could allegedly be the work of the Khmer Rouge because the latter want to hamper better mutual understanding between

FUNCINPEC and the Khmer People's National Liberation Front and the SOC side. We should accept that the Khmer Rouge are capable of anything—they were able to slay millions of people, so they do not hesitate to kill one or two more people to achieve their goal.

[Correspondent] In the future, if the Khmer Rouge refuse to take part in the elections, could civil war flare up after the elections?

[Hor Namhong] There will be no civil war, only the Khmer Rouge's guerrilla activities, as happened earlier in Malaysia and Thailand. I am of the opinion that a new government should be strong not only militarily but also politically, economically, and socially so as to overcome the danger caused by the Khmer Rouge; but this issue also depends on international assistance.

[Correspondent] Do you think that the UN presence should be extended for a while after the formation of a new government?

[Hor Namhong] I think that the UN should extend its presence for a while in order to assist in the setting up of a new national army, to monitor the respect for human rights, and to verify the Khmer Rouge's threat.

[Correspondent] In your opinion, will the international community's desire to help Cambodia last for a long time or will it diminish in the future?

[Hor Namhong] It depends on the policy of those countries and also on the world situation. However, the Cambodian people should be assisted because they have seriously suffered for more than two decades and our economy has been almost ruined—our small country abounds with natural resources, but now, our people are living in miserable conditions and we also need to develop our country.

[Correspondent] Do you think that it is the Cambodian people's nature to fight each other?

[Hor Namhong] Having signed the peace accord, we have the sincere intention of bringing about national reunification and forgetting about the past with a view to rebuilding our country, and we have implemented the accord for more than one year. However, the Khmer Rouge have not the slightest intention of bringing about peace for Cambodia. They have neither changed their policy nor their activities at all.

[Correspondent] What do you think about China's and Thailand's stances toward the Khmer Rouge?

[Hor Namhong] China has already stopped giving aid to the Khmer Rouge. As for Thailand, it is another problem. The Khmer Rouge have used the Cambodian-Thai border to carry on fighting. Nevertheless, we are pleased to learn that the Thai prime minister and foreign minister have recently announced that Thais will cooperate with the United Nations in enforcing sanctions against the Khmer Rouge.

[Correspondent] What is your assessment of Japan?

[Hor Namhong] Japan has played a vital role in the Cambodian peace process and in rehabilitating and rebuilding Cambodia, as proved by the international conference on the reconstruction of Cambodia held in Tokyo in June. At present, Japan has assisted Cambodia in all sectors. This is a good thing since we all are in Asia.

'Violation' Incident in Kompong Thom Viewed

BK2012091192 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 0800 GMT 19 Dec 92

[“Views of the National Army of Democratic Kampuchea and People in Kompong Thom on the Violation by Some UNTAC Personnel of the Zones of the Democratic Kampuchea Side in Kompong Thom”]

[Text] I. On 15 December, a number of UNTAC [UN Transitional Authority in Cambodia] personnel violated and entered the zones of the Democratic Kampuchea [DK] side in Kompong Thom.

II. Concerning this incident of UNTAC personnel violating the DK zones in Kompong Thom:

A. Four UNTAC civilian staff were involved in this incident; only an American and French nationals committed the violation by entering the DK zone without prior notice to the DK. The DK had warned these people not to enter; however, UNTAC personnel insisted on going into the area.

On this incident the DK side has said that DK officers, who used to work with UNTAC in Kompong Thom, have been banned by UNTAC from returning to Kompong Thom for many months. In such a situation, in which there are no DK military representatives staying with UNTAC and the four parties, UNTAC has been doing things as it sees fit, including many activities relating to spying in order to locate DK places. All this has been happening at a time when Vietnam and its puppets are attacking the DK zones.

Concerning this incident involving UNTAC personnel, some UNTAC staff in Kompong Thom learned last week the truth from UNTAC staff, Britishers and New Zealanders who were held in Stoeng Sen by the National Army of Democratic Kampuchea [NADK], that the NADK troops behaved properly. The NADK troops let the UNTAC staff live comfortably, with food, water, fish, vegetables, fruit, hammocks, beds, mosquito nets, scarves, and so on, appropriate to the conditions—although in no way comparable to staying in a hotel. The NADK troops simply told UNTAC staff to kindly inform the NADK and get their permission before entering DK zones because of the situation in which the Paris agreement has not been implemented over the past year, leading Vietnam and its puppets to carry out spying and destructive activities everywhere. In some areas, it has been observed that some UNTAC staff seemed to

have even colluded with Vietnam's puppets by searching and spying in this or that place for the Vietnamese aggressors and puppets, enabling the latter to attack the place, and so on.

With this state of affairs, UNTAC personnel were not afraid when they were recently held in Stoeng Sen. This has led some UNTAC staff in Kompong Thom to, on the one hand, try to go and see the DK-controlled zones, perhaps with some secret goals in mind; and on the other, to provoke an incident in which they are prevented by the NADK from entering the DK zones; this would become an incident used for propaganda in and outside the country and made well-known for their personal political interest.

It should be stressed that all four UNTAC staff members were allowed to leave safely on Thursday 17 December 1992.

B. As for the UN peacekeeping troops of Indonesian nationality, there are no problems because Indonesian units have lived in many places in Kompong Thom province, including the DK areas. Thus, over the past year there were no problems in the relationship between the Indonesian units and the NADK and the people.

C. About the violation of DK areas by some UNTAC personnel in Kompong Thom:

In mid-December 1992, correspondents of the Voice of the Great National Union Front of Cambodia radio reported in detail this incident, particularly presenting the account by the NADK representative and the views of people in the area where the incident took place, as expressed through conversations with UNTAC personnel.

The following is the essence of the account by NADK representatives in Kompong Thom and the views of the people in Kompong Thom:

We are not taking you prisoners. You have not allowed our DK military representatives, who used to be stationed with you in Kompong Thom, to return to work in the area. In the absence of our DK military representative in Kompong Thom, you keep doing things as you see fit and have been spying in our zones. Why are you spying and what for? We cannot guess. For all we know, you could be gathering intelligence for UNTAC or for the Vietnamese aggressors and their puppets to attack us. Therefore, we reserve the right to defend ourselves and ask you to stay put and wait until our military representatives—who used to be stationed in Kompong Thom and worked with you—come to take you back to Kompong Thom. We very much want to cooperate with you—cooperation based on the 23 October 1991 Paris agreement and not cooperation in which you tie our hands and feet. UNTAC has not comprehensively implemented the Paris agreement and UNTAC has not entered the second phase of the cease-fire. The 23 October 1991 Paris agreement clearly specifies that in order to enter the second phase of the cease-fire:

1. UNTAC has to give a role to the Supreme National Council [SNC] so that the latter can carry out its tasks as the legitimate and sole source of power in Cambodia during the transitional period;

2. UNTAC and the SNC cooperate in verifying that all Vietnamese aggressor forces are withdrawn from Cambodia.

3. UNTAC controls five major ministries.

All these points are to ensure that there is a neutral political atmosphere for the demobilization of 70 percent of all four Cambodian parties' troops. In other words, all the above points should first be implemented before the demobilization of 70 percent of all four Cambodian parties' troops can take place. The fact is that to this day UNTAC has not implemented all of the above points. Furthermore, UNTAC has even cheated and lied to local and foreign people that the DK has not taken part in the UN peace plan.

By saying this, UNTAC is deliberately lying and deceiving others, with an unprincipled political goal, namely, that of opposing the 23 October 1991 Paris agreement and opposing the quadripartite SNC. The policy is to maintain and preserve only one party—that of Vietnam's puppet regime in order to maintain Vietnamese aggressor forces and allow them to continue committing aggression against and occupying Cambodia. Furthermore, UNTAC has drafted laws granting Vietnamese the right to vote and do everything in Cambodia. This is why there is insecurity in the current political situation in Cambodia, with old and new Vietnamese forces plundering and putting fascism and terrorism into effect. The Vietnamese do it and Vietnam's puppet does it, with UNTAC's collusion.

Please ask yourselves this question: If you do this, if you tie the hands and feet of other people, coax them into disarming, and then execute them, will they agree to this? Have you observed that His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and SNC chairman, has said that UNTAC and the Phnom Penh side are fully responsible for all this? What causes the destruction of the 23 October 1991 Paris agreement and its implementation, the murder of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] members, and all kinds of social injustice? Do you know that this is killing the entire Cambodian nation and people to the point that HRH Prince Norodom Sihanouk himself also wrote about it in his statement?

We follow the Paris agreement while you go against the trends of history and the Paris agreement. Whether in the past, present, or future, the DK national resistance forces have no part in these incessant incidents; on the contrary, they are caused by old Vietnamese forces, which are everywhere in Cambodia in this or that form. New Vietnamese continue to flow into Cambodia. UNTAC has made laws for Vietnamese to vote; UNTAC has not checked on Vietnamese; UNTAC has not given

the SNC the role of a legitimate organ and the sole source of power in Cambodia during the transitional period; and UNTAC has not controlled the five ministries.

People have noted that UNTAC has allowed Vietnam and its puppets to carry out fascist activities—to plunder, massacre, and terrorize the Cambodian people. This is the root cause of the incessant troubles that have followed one after another. This is because UNTAC has not implemented the 23 October 1991 Paris agreement, according to which UNTAC has to cooperate with the quadripartite SNC. UNTAC has instead implemented an altered agreement for only one party, namely, allowing Vietnam's puppets to be masters in Cambodia and use these puppets as a cover to maintain Vietnamese forces in Cambodia. All of this is the root cause of all sorts of problems over the past year.

a. We know that the UN Charter is good; the Paris agreement on Cambodia is good. We also know that there are quite a few good people in UNTAC. However, there are also bad UNTAC leaders. These bad UNTAC leaders are the ones who have put the Paris agreement on the wrong track over the past year and more, resulting in all sorts of bad consequences; this still continues.

b. You have maintained old Vietnamese forces and allowed new Vietnamese forces to flow into Cambodia at will. Vietnam's puppet regime is still right here daily carrying out widespread fascist and terrorist acts. Barely a few days and a few months after they started to operate, newly setup political parties have been threatened, oppressed, arrested, and murdered at will by the Vietnamese aggressors and Vietnam's puppets. UNTAC not only has not assisted in solving the problem but has also colluded with the Vietnamese aggressors and Vietnam's puppets.

In such a situation, do you want people to vote and be executed by Vietnam and its puppets? Do you want various political parties to vote and be executed by Vietnam and its puppets? Or do you also want to kill the Cambodian nation and people like Vietnam and its puppets? Do you think that we, the DK, the Cambodian nation and people, are wrong in asking that every clause of the 23 October 1991 Paris agreement be implemented, particularly the ones on the verification that all Vietnamese aggressors are withdrawn from Cambodia, the SNC role, UNTAC controlling the five ministries, and on the establishment of a neutral political atmosphere?

Please use your conscience since you claim that you are educated and that you represent the world's top body. In your conscience, is this issue right or wrong? In your conscience, are you coming to find peace for Cambodia or to continue fueling war in the country? If the latter is the case, when you talked about human rights, were you lying and deceiving others or what? You talk about democracy and the right to self-determination, but what do you mean by that?

We do not want to be your teacher. We would only ask that you genuinely and correctly implement the Paris

agreement and not violate the agreement and then turn to accuse us. You are aware of international law, Buddhist law, or the law of some other religion. Do you realize that what you are doing is wrong? If you continue to do this, how much worse will this get and how much more at risk will peace and security in Cambodia and this region be? You are envoys of the United Nations, the world's top organization, and you behave this way. What will become of your credibility and that of the United Nations?

Please think about the past and present incidents, particularly now, and our conversation with you. Please consider all this yourselves and clearly inform Akashi, and clearly report it to the UN Secretary General and the UN Security Council. Please do not turn to saying something which slanders us and which puts us in the wrong on this or that. In the future, you will be held fully and entirely responsible.

We would like to inform you that Vietnam has invaded, occupied, and annexed Cambodian territory and sowed great destruction for 14 years. And now you add to this. Please ask yourselves, can you take this if foreigners sow destruction in your own countries? Will you allow aggressors to do this? Do you and people in your countries accept this?

We suggest that you put an end to all this right here and not let it go any longer for fear that it could get more and more complicated, without any way out. The recent situation in Cambodia has involved Vietnam's committing aggression against Cambodia, aggression which has been going on since the end of 1978; it is not an inter-Cambodian matter. You are also clearly aware of this, but you UNTAC people and accomplices have constantly altered this fact. Now that there is the Paris agreement, UNTAC people and Vietnam still have not ended Vietnam's war of aggression in Cambodia.

When the SNC has a role and UNTAC cooperates with the SNC to verify the Vietnamese aggressors in accordance with the agreement, matters will be brought to an end. Cambodians only wait to be reconciled among themselves so that Cambodia has peace and independence. Stability would then be immediately restored in this region.

Khmer Rouge Shell Bavel, Threaten Battambang

BK2212042992 Hong Kong AFP in English 0420 GMT 22 Dec 92

[Text] Phnom Penh, Dec 22 (AFP)—The Phnom Penh military charged Tuesday that the heaviest Khmer Rouge shelling yet had hit western Cambodia as the guerrillas tried to launch an offensive against the city of Battambang.

Fighting over the last two weeks in the Bavel district has already driven 13,000 people from their homes and forced them to live under makeshift shelters along the roadside, United Nations and government officials said.

U.N. peacekeepers from Malaysia abandoned the district after their building was hit by shells last week, the United Nations said.

The number of casualties is unknown, but "quite a few" civilians have been killed, said senior government advisor and deputy minister Uch Kim-an.

"This morning was the most heavy shelling of our positions," Phnom Penh army General Phan Thay said at a press conference.

He said the army's 6th Division headquarters at Bavel was in the front line of defense against the Khmer Rouge for the northwestern city of Battambang.

"If they take over Bavel, they can put artillery in for shelling Battambang," he said.

Uch Kim-An said the U.N. Transitional Authority in Cambodia (UNTAC) was powerless, letting Khmer Rouge guerrillas move closer to Phnom Penh positions.

"UNTAC failed to say, 'Hey, you stay over there.' Now the Khmer Rouge have infiltrated closer to our positions," he said. "It is very difficult for us to defend our positions."

Hundreds of those displaced in Bavel were refugee families who had recently returned from camps in Thailand, U.N. spokesman Eric Falt said.

The United Nations appealed at the weekend to the factions to halt the fighting after U.N. officials "were appalled to see thousands of men, women and children living under makeshift shelters" in unsanitary conditions along the road, Falt said.

The Phnom Penh government also said it had issued a directive to local authorities urging strong action to maintain and protect the political environment, Uch Kim-An said.

"This is in response to the spate of political violence ... in order to protect political offices and ensure a more stable political environment," he said.

UNTAC officials have directly accused Phnom Penh authorities of assassinating and harassing opposition party workers, and demanded that the circular be sent out calling for a halt in the intimidation.

The Phnom Penh authorities also announced that Keat Chhon, a former minister under Prince Norodom Sihanouk in the 1960s, had joined the government.

He was given the post of head of the National Committee for Investment, Uch Kim-An said.

Another former Cambodian official during Prince Sihanouk's years in power, Tho Peng Leath, was also appointed a government advisor.

"As peace is not yet strongly established in the country and as the process is gravely threatened by the refusal of

one party to implement the peace accords ... it is not too late for me to make my contribution", Keat Chhon said in a statement.

The Khmer Rouge are refusing to cooperate with the peace process agreed by all the factions in Paris last year. Despite a ceasefire accord, fighting in some parts of Cambodia between the Khmer Rouge and government forces has not stopped.

Laos

President Discusses Elections With Reporters

BK2112064192 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 21 Dec 92

[Speech by Nouhak Phoumsavan, Political Bureau member of the Lao People's Revolutionary Party Central Committee and president of the Lao People's Democratic Republic, delivered to domestic and foreign reporters at the Presidential Office in Vientiane on 20 December on the election of the third National Assembly—recorded]

[Text] Beloved comrades and foreign friends: First of all, I would like to express thanks to you, reporters and journalists, from friendly countries near and far, for your interest in and coverage of the election of the third National Assembly of Laos and for interviewing me today. As you all are aware, the Supreme People's Assembly [SPA] elected me as president of state after the passing of His Excellency Kaysone Phomvihan, beloved and respected leader of our Lao people, in late November. On the day I assumed the presidential post and in my eulogy for late President Kaysone Phomvihan, I expressed my resolute determination to continue to principledly carry out the comprehensive restructuring cause as initiated, guided, and organized for implementation by His Excellency Kaysone Phomvihan. Now, I would like to reiterate that we will continue to consistently pursue and translate into reality the domestic and foreign policies of the Lao Government in accordance with our pledge given to His Excellency Kaysone Phomvihan.

Today, I believe you see with your own eyes all about the atmosphere of the promotion and expansion of the Lao people's rights to ownership of the country and democratic rights to elect their representatives to the National Assembly. The election on this occasion once again clearly reflects the unity of the multiethnic Lao people to follow the path that they have already chosen, namely the path of building and expanding the popular democratic system, in order to achieve success in building peaceful, independent, democratic, unified, and prosperous Laos. The election of the third National Assembly marks a significant step of the consolidation of various political organizations under our popular democratic system, as stipulated in the Constitution. Following the election, we will further consolidate our state along the

direction on which the state truly belongs to the people, run by the people, and are for the people.

In the economic field, our Lao Government plans to further implement the policy of promoting and developing all economic sectors on the basis of equality in accordance with the laws so as to enable them to carry out production business in conformity with the state-adjusted marketing economic mechanism. In this regard, we will positively continue to broaden economic relations with foreign countries and to draw foreign investments on the basis of equality and mutual benefits. All these are aimed at turning the natural economy into a goods-oriented economy and enabling the nation to free itself from the state of underdevelopment and gradually switch to a state of civilization like other nations. With the said policy, we believe that Laos will be consistently developed and become strong and that the people's standard of living will be increasingly raised to a higher level. The achievements in implementing the said policy in the previous years have proved this. The people have also given full support for the policy. This is why our government has unchangingly adhered to the aforesaid economic reform policy.

In foreign affairs, we will positively continue to pursue the foreign policy of peace, independence, friendship, and nonalignment, and to promote and expand friendly relations and cooperation with various countries, regardless of the differences in political and social systems, on the basis of the principles of peaceful coexistence. What we are very satisfied with is that in the recent years, relations between the Lao People's Democratic Republic [LPDR] and various countries have been increasingly improved and developed. Various friendly countries and international organizations have continually given support and cooperation, under different forms and with different levels, to our country, thus contributing to socioeconomic development as well as to the improvement of the living conditions of the Lao people.

I hereby would like to ask you to convey the thanks of the Lao Government and people to the governments and peoples of your respective countries for rendering assistance to us in the recent past. I would like to repeat here again that Laos is a small country and that the Lao people have experienced sufferings for a long time in the past. Therefore, the Lao people have no other aspiration than to have a peaceful life and to maintain friendship and equality with various countries, first and foremost with neighboring countries. The Lao people have believed in religions and used religions as guidelines in carrying on their daily life. They have never engaged in any act of grudge with any other country. They only hope that other countries will be also their good friends. With the said intent, our country has been accepted as member of the Bali Treaty and an observer of the ASEAN. At the same time, we have ceaselessly carried out activities to improve and strengthen relations with various countries in the world, and have done their best to contribute to the cause of peace, cooperation, and development of various nations in the world.

Today is already the 20th of December. The old year of 1992 is going to pass while the new year is approaching. I, therefore, would like to take this occasion to wish all you here good health and success in performing your tasks in the new year of 1993. I also would like to convey, through your news or press agencies, to leaders, governments, and people of your respective countries all best wishes of happiness, prosperity, and progress in the new year.

Leaders Thank Chinese Counterparts for Greetings

BK2212033492 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 21 Dec 92

[Joint message of thanks from Nouhak Phoumsavan, president of state and chairman of the Supreme People's Assembly, and Khamtai Siphandon, chairman of the Lao People's Revolutionary Party Central Committee and prime minister of the Lao People's Democratic Republic, to Jiang Zemin, general secretary of the CPC Central Committee; Yang Shangkun, president of state; Li Peng, premier; and Wan Li, chairman of the National People's Congress Standing Committee of the PRC—dated 14 December]

[Text] On behalf of the Lao People's Revolutionary Party Central Committee, the government, and the Supreme People's Assembly of the Lao People's Democratic Republic [LPDR], we would like to express sincere thanks to you, comrades, for the greetings and best wishes that you comrades have sent to us, on behalf of the CPC Central Committee, the government, the National People's Congress Standing Committee of the PRC, the Chinese people, and in your own names, on the occasion of the 17th anniversary of the LPDR.

We are elated to note that in the past years, the friendly relations and all-around cooperation between our two parties, two states, and two peoples of Laos and China have been gloriously and fruitfully developed, thus worthily contributing to the cause of safeguarding peace, stability, and cooperation in the region and the world.

We wish you, comrades, good health and success in implementing the resolutions of the 14th CPC congress.

On the same occasion, Comrade Phoun Sipaseut, deputy prime minister and minister of foreign affairs, also sent a message of thanks to Comrade Qian Qichen, state councillor and minister of foreign affairs of the PRC.

Drought Causes Luang Namtha Rice Shortage

BK1812094392 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 18 Dec 92

[Excerpt] According to Kouan Keomani, governor of Luang Namtha Province, agricultural production in the province this year has been seriously affected by natural disasters. A severe drought left more than 1,000 hectares of rice fields and some 7,000 hectares of agricultural

plantation areas heavily damaged. As a result, people in Luang Namtha Province will suffer rice shortages of about 17,000 metric tons in 1993 and the suffering will last as long as about five months.

The Luang Namtha provincial administration has therefore issued 25 million kip of loans to farmers for use in growing rice, cash crops, and vegetables during the dry season as a way to compensate for damage in seasonal rice production. [passage omitted]

Cooperation Memorandum Signed With Sweden

BK1812043892 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Dec 92

[Text] A memorandum on cooperation project on the long-term development of forestry research and work in the Lao People's Democratic Republic between Laos and Sweden, which is represented by SIDA [Swedish International Development Authority], was signed in Vientiane on 15 December, following a successful meeting between Lao and Swedish authorities.

The main objectives of the meeting was to review results of their cooperation in 1992 and to map out future plans and guidelines for their further cooperation in 1993 in developing tropical forests and producing related personnel in Laos. The long-term project designed in accordance with Lao Government policy, will also encourage people to stop slash-and-burn cultivation, to contribute to the reforestation program, to conserve the natural environment, and to produce various kinds of goods.

The abovementioned project would efficiently contribute to the steady strengthening of solidarity, friendship, and cooperation between Laos and Sweden.

Philippines

Senate President Agrees To Yield Post

HK2112123592 Manila PHILIPPINE DAILY INQUIRER in English 20 Dec 92 p 16

[Report by Juliet M. Labog]

[Text] Senate President Neptali Gonzales has agreed to yield his post to Sen. Edgardo Angara in a "smooth and orderly transition" early next year, a senator said yesterday.

"Senators Gonzales and Angara have agreed on a smooth transition on Jan. 18, 1993 when Congress resumes its session," said the senator who asked not to be identified.

He said the decision was reached after Gonzales, recently re-elected Laban [People's Struggle] (formerly called LDP) [Struggle of Filipino Democrats] president, had a meeting with Angara in his office last Friday during which Angara showed him a resolution.

"Ed showed Nep a resolution, written proof that an overwhelming majority of the LDP senators and the senators from the NPC [National People's Coalition] and Lakas-NUCD [Strength-National Union of Christian Democrats] wanted a change," the source said.

"Nep could no longer ignore this evidence. He then agreed to step down on Jan. 18 and said he would arrange a smooth transition. He also agreed to nominate Angara," the source said.

Before the decision was made, Gonzales met with LDP senators last Thursday at the Imperial Suite of Philippine Plaza, the senator said.

Those who attended the meeting were six LDP senators together with former Speaker Ramon Mitra, head of the council of advisers, and former Chief Justice Marcelo Fernan, Laban national chairman.

The source said Gonzales told the party members that he would be willing to concede if the decision to change him would be the result of a caucus.

"He apparently believed he could still prevail in such a caucus," the source said.

That changed after he met with Angara, the sources claimed.

The source said 12 out of 15 Laban senators have aligned themselves with Angara, leaving Gonzales with only two allies—Sen. Agapito Aquino and Sen. Heherzon Alvarez.

Aside from the 12 Laban senators, the "new majority" will consist of four out of five NPCs and three from Lakas-NUCD for a total of 19, he said.

It could be 20 out of 24 if Sen. Francisco Tatad joins in, he said.

The source said Sen. Leticia Shahani, President Ramos' sister, will wait for the President to return from Bangkok before committing the Lakas senators to the "new majority."

But since the Laban and NPC already count up to 16, "some of the members of this group feel they do not need the Lakas-NUCD in the coalition."

He said the "redistribution of posts other than the Senate presidency" has yet to be finalized.

The source said the "new majority" will not become a rubberstamp of Malacanang.

Columnist Views Senate Leadership Takeover

HK2212071292 Manila THE MANILA CHRONICLE in English 22 Dec 92 pp 1, 6

[From the "Analysis" column by Amando Doronila: "New Senate Leadership, New Outlook"]

[Text] The capitulation of the Senate under the siege of attrition by President Ramos is imminent following the

formation of a new alliance that topples Senate President Neptali Gonzales. The new alliance, composed of most members of the LDP [Struggle of Philippine Democrats] and the Nationalist People's Coalition, ensures the takeover of the Senate leadership before the end of the year by Senator Edgardo Angara, who chairs the strategic finance committee and the committee on education.

The impending reorganization of the Senate is a bloodless coup by President Ramos that will consolidate his control of both houses of Congress. Although the LDP retains its majority in the Senate, the numbers do not tell the story. The Angara leadership indicates a qualitative change in which a less traditional, and more modernistic, technocratically-inclined, and more cooperative (with the administration) bloc of senators takes control. What is important is there will be a change of outlook. The new coalition is seen to be more aligned to the economic priorities of the administration on the basis of "critical collaboration" with the President.

It has taken President Ramos half a year to erode the control of the Senate by the traditional wing of the LDP, epitomized by Senator Gonzales, and to consolidate his position vis-a-vis the legislature. The LDP itself is undergoing a revamp of its leadership that is reducing the influence of its traditionalist wing following its debacle in the last election and the humiliating defeat of former Speaker Ramon Mitra. The frustration of the bid for speakership of Rep. Jose Cojuangco of Tarlac, who incarnates the worst aspects of patronage politics, facilitated the rise of the more modernistic and economically oriented bloc of senators led by Senator Angara.

Senator Gonzales' phlegmatic leadership contributed to his fall. He is too closely associated with the "Kamaganak" (vintage Cory Aquino administration) stigma of the LDP. This stigma is a political liability for the party. In its efforts to erase the stigma and present itself as a party with a vision and an outlook that could help the nation's economic takeoff, the transfer of leadership to Senator Angara signals this shift. Another signal indicating the change of outlook in the LDP is the recruitment of a technocrat, former Philippine National Bank president Edgardo Espiritu, as the party's secretary-general.

Senator Angara's imminent takeover as Senate President is backed by the President, which means he can work with the new alliance led by Angara in defining the new legislative agenda for economic catch-up.

Whether the reorganization of the Senate will break the "gridlock" between the presidency and the legislature to facilitate economic-reform legislation remains to be seen. At the very least, the President, after his capture of the Senate, is assured of a platform to regain his momentum that has slowed to a crawl mainly because he is too cautious and refuses to take risks. He can no longer

use Senate resistance as an excuse for phlegmatic leadership. This will show whether he can utilize political consolidation to get his legislative agenda approved and to get things done.

Fortunately for President Ramos, the people have been extremely patient with the administration. The resumption of the power outages has put a heavy strain on industrial production and, what is more, it has dislocated the rhythm of life and work of people in the bureaucracy and the services. Working under the daily siege of outages is like working under wartime conditions. The severity of the electricity shortage is comparable to that experienced by Hanoi during the heavy bombing by the Americans. The difference is that the Vietnamese were at war, and we are not. Not even Bangladesh, an Asian economic basketcase, has such crippling power shortages as ours.

The people are aware that the power shortage is a legacy of the neglect and lack of foresight by the Aquino administration. But if the Ramos government fails to show any sign by the first quarter of next year that outages are becoming shorter, rather than longer, the blame will shift to him. The stresses inflicted by disruption from the shortages are wrecking the nerves of people in the industrial center that is Metro Manila. They are driving people up the wall. There is no use talking about catch-up while shortages cause enormous losses in man-hours and increase cost of production represented by purchase of power generators and diesel fuel.

Control of the Senate and of the entire legislature will not ensure the production of more power supplies. Relieving the shortage can be done by the exercise of executive powers.

There are some in the Senate who are disposed towards limiting legislating to key bills, the argument being that Congress wastes a lot of time considering too many bills that diffuse its concentration. There are precedents on a focused legislative agenda.

In Singapore, parliament meets only once a week. The longest sitting is 10 days, when the MPs consider the budget. In the Philippine Congress, congressmen and senators want to give the impression that they are working to justify their salaries and allowances. Work to them also means delivering worthless privilege speeches and passing bills with parochial concerns, such as renaming streets. The consequence is that everyone seems to be working and talking, but at the end of a session, Congress has to be called back for special sessions to pass unfinished key legislation—like the national budget.

This is an internal reform—limiting the agenda and focusing debate—that should come from Congress itself. Even if the President establishes a more cooperative relationship with Congress, the legislature could still waste time on a diffused and openended agenda.

Separatists Threaten To Kill U.S. Missionary*HK2212091192 Hong Kong AFP in English 0852 GMT 22 Dec 92*

[Text] Zamboanga, Philippines, Dec 22 (AFP)—Moslem separatists threatened to kill a kidnapped American missionary on Christmas Day unless the U.S. Embassy promises to pay the ransom they demanded, the government negotiator said here Tuesday.

Former vice governor Pedro Pamaran said the Moslem band that kidnapped Roman Catholic missionary Augustine Frazczak in the southern island of Basilan last October made the threat in a letter sent to him Monday.

In the letter, written in the local tribal dialect, their leader Dodik Kalahal said that "unless the American government will show interest to work for the release of the American missionary, we will have no other recourse but to kill him on December 25." The kidnappers, members of the Moslem separatist Moro National Liberation Front (MNLF), also said they were standing firm on their demand for a five million peso (200,000 dollar) ransom from the U.S. government.

Pamaran also received a letter from Frazczak addressed to local church leaders in which he says the kidnappers ordered him to make his "last wishes." Frazczak also said: "I am afraid that this will signal my sad trip to heaven, but alas, come what may while there is still time, let the American government and my colleagues in the mission do their best and coordinate to give my captors what they desire to let me free."

"Do not tap the Philippine government and the military. They cannot help me," the American was also quoted as saying.

U.S. embassy spokesmen in Manila said they could not comment on the new development.

The MNLF band have been demanding ransom from the U.S. government after local church leaders refused their previous ransom demands.

Ramos Speech Marks AFP 57th Anniversary*HK2112032592 Quezon City Radyo ng Bayan in Tagalog 0157 GMT 21 Dec 92*

[Speech by President Fidel V. Ramos on the occasion of the 57th Founding Anniversary of the Armed Forces of the Philippines, AFP, at Camp Aguinaldo, Quezon City—live, in English]

[Excerpt] [passage omitted] I call on each of you, our men and women in uniform, to guard vigilantly the gains of our restored democracy. We must sustain the momentum we have developed in building a strong and stable national society. Our democracy still needs nurturing. The whole of national society needs to be brought together. We must bring out those reserves of national energy and morale that enable a country in crisis to

marshal all its resources to win the struggle. The AFP and every man and woman in uniform, including the Philippine National Police [PNP], must become the models for the civic features we Filipinos need to cultivate more.

Before I close, I would like to announce here that, as recommended by the Director-General Raul Imperial, chief of the PNP, and by the AFP chief of staff, I hereby extend for one year the primary role of the AFP as being primarily responsible for the conduct of our counter-insurgency campaign or what remains of it, and preserving the internal security of the state effective 1 January 1993 to 31 December 1993 pursuant to Section 12 of Republic Act 6975. [passage omitted]

AFP Chief Installs New Capital Region Commander*HK2112071092 Manila MANILA BULLETIN in English 19 Dec 92 p 12*

[Report by Owen Masaganda]

[Text] Brig. Gen. Raymond Jarque was installed yesterday by AFP [Armed Forces of the Philippines] chief of staff Gen. Lisandro C. Abadia as new commander of the National Capital Region Defense Command (NCRDC), replacing Brig. Gen. Thelmo Y. Cunanan who was assigned to head the Visayas command (Viscom) with headquarters in Cebu City.

General Cunanan replaced Maj. Gen. Romeo Zulueta who was transferred to the Southern Command (Southcom) based in Zamboanga City.

Prior to his new assignment, General Jarque was the commanding general of the First Tabak Division based in Pulakan, Zamboanga del Sur.

Cunanan was previously commanding general of the 2nd Infantry Division with headquarters at Camp Capinpin, Tanay, Rizal.

As chief of the NCRDC, Cunanan was able to neutralize the Communist Party of the Philippines-New People's Army [CPP-NPA] in his command area. His command busted the CPP-NPA group operating at the triboundary of Laguna, Rizal and Quezon.

Rebel Leaders Call Peace Talks 'Pure Sham'*HK2112121592 Manila PHILIPPINE DAILY INQUIRER in English 19 Dec 92 pp 1, 12*

[Report by Juliet M. Labog]

[Text] Prospects of peace negotiations with communist insurgents appeared to have dimmed as two of top rebel leaders distanced themselves from the government's peace program, strongly denouncing President Ramos and the National Unification Commission [NUC] for "sabotaging" the process.

NDF [National Democratic Front] vice chairman Luis Jalandoni also turned down a government invitation Wednesday for three NDF leaders to come home for the continuation of exploratory talks.

Communist Party founder Jose Ma. Sison, on the other hand, said the CPP [Communist Party of the Philippines] was considering "effective counter-measures to the total war policy and the false peace posturings of the Ramos regime."

These were contained in separate statements issued from their Utrecht exile.

In his statement sent to the INQUIRER, Sison shifted to Mr. Ramos his attacks against former communist leaders Romulo Kintanar, Benjamin de Vera and Ricardo Reyes whom he branded as "renegades" out to destroy the CPP.

"There is strong proof that the Ramos regime is not interested in continuing the exploratory talks...Instead (it) is merely interested in pursuing a futile attempt to attract renegades, conjure the illusion of splits in the revolutionary movement and thereby destroy it completely under the total war policy," Sison said.

Sison and Jalandoni condemned a briefing given by Gen. Alfredo Filler, intelligence chief, and Col. Robert Delfin to the NUC last month, saying it was here when the government "laid down its intentions and devices" for the destruction of the communist movement.

"The psywar tactics of the regime include the NUC control and use of sectoral and territorial consultations for counter-revolutionary propaganda, inducements to local cadres and commander to surface and surrender and baiting them into the intelligence bag for punitive action," Sison said.

Quoting "reliable sources," Sison said the CPP was prepared to meet the government head-on.

"The psywar tactics of the Ramos regime are actually sabotaging the prospects for serious bilateral peace talks. The (CPP), which has absolute leadership over the New People's Army, is reportedly considering the effective counter-measures," he said.

For his part, Jalandoni heaped criticisms against the NUC, calling it as the instrument of Mr. Ramos' psywar tactics.

"There is no sign at all in the policies and actions of the Ramos regime to show that it is sincere in pursuing serious peace negotiations," Jalandoni said. "on the contrary, all signs, especially the manipulation of the NUC for his futile psywar scheme, point to the same failed militarist solution of the Marcos dictatorship."

"All this clearly shows that Ramos' so-called peace initiatives are pure sham," Jalandoni said.

Jalandoni also denied a statement by an NUC member that he was willing to come home with reservations, although he did not say if this was the response to the recent offer of the government.

Tarlac Rep. Jose Yap sent a letter Wednesday and talked with Jalandoni on the phone to extend a "five to seven day invitation" for him and two other persons to come to the country, security and housing provided.

"The NDF has firmly upheld the need for a neutral venue for peace talks," Jalandoni said, "so that neither party is able to take undue advantage over the other."

Jalandoni enjoined "all its forces and all organizations...to denounce and oppose the Ramos regime's psywar schemes and its anti-people policies."

In another development, a UN spokesman in Manila said the United Nations would be willing to mediate the peace talks between the government and the NDF.

"That is possible if the two sides write a letter to (UN Secretary General Butrus Butrus-Ghali)," said Luis Torres of the UN Information Office here.

Torres said while the international organization does not intervene in any country's internal affairs, it is prepared to help forge peace agreements if its assistance is sought by parties to a conflict.

The President has rejected the NDF proposal for a third party mediation in the proposed peace negotiations.

He, however, said he was willing to accept support from any country to the peace process as mere observers.

Editorial Lauds Effect of U.S. Pullout

HK2112124692 Quezon City MALAYA in English 20 Dec 92 p 4

[Editorial: "'Benign Neglect' Is Fine"]

[Text] Reports say that the U.S. government, meaning the incoming Clinton administration, has decided on a policy of "benign neglect" in shaping the nature and content of its relations with the Philippines. This means the U.S. will substantially slash the size of its physical presence, through the embassy and other affiliated agencies, in the country, and in other ways will place the Philippines quite low in the totem pole of its priorities and concerns.

This is wonderful news. This was the whole point in throwing out the U.S. bases, to lift the reality of Philippine independence and sovereignty from the travesty that it was. With its bases gone, the U.S. has no further wish or reason to enforce its political and economic policies on the Filipinos. It has set us free; it will leave us alone now.

Actually, "benign neglect" has been in effect for some time now, since the Senate rejected a proposed new treaty with the U.S. that would have kept the bases in

operation. Aid of all types to the Philippines was slashed, and the Americans carted away from their installations everything that was not bolted down but left behind mounds of toxic waste as souvenirs. They removed their floating dry docks, much like the rich kid on the block who takes his basketball home after losing the game. It was more than benign neglect, in fact; it was malign vindictiveness.

But the Philippines, despite the dire warnings and prophecies of the pro-bases bleachers, survives and carries on. Not in grand fashion to be sure, but its problems and inadequacies have nothing to do with the bases' closure. The six to eight-hour brownouts, for example, trace their roots directly to the unbelievable incompetence and ineptitude of the Cory Aquino administration, which the Ramos government seems determined to surpass. We'd still be having them even if Clark and Subic bases, their lives extended by a new treaty, were fully operational and ablaze with lights.

But we haven't gone under, we haven't drowned, we haven't collapsed, we haven't disappeared. We're struggling and muddling in that unique and indomitable Pinoy fashion, cursing our fate and public officials all in the same breath and praying to a variety of gods to rescue and save us and lead us to the promised land. If not in this life, the next. This may be the ultimate Filipino weakness: we like to bet on long shots.

An imminent manifestation of this benign neglect, the reports say, will be a cutback in the number of Americans manning the U.S. Embassy and allied offices. The Americans have always maintained one of their largest diplomatic establishments in this country, which was probably inevitable when they had the bases. Until now they have 350 Americans, diplomats and non-diplomats assigned here, of whom 100 enjoy diplomatic status, and employ about 1,200 Filipinos. This is too many, enabling them to poke their finger into every aspect, major and minor, of Philippine life. This would be justifiable if we were a de jure, rather than a de facto, colony.

The huge discrepancy in the manpower levels of the Philippine and American embassies in each other's country was vividly underscored during the time of Manila Mayor Antonio Villegas when he launched a "traffic-violations war" against the Americans. The Washington police had suddenly turned nasty and began issuing traffic tickets to Philippine Embassy personnel even for the most trivial traffic violation. To his eternal credit, Villegas decided to counter-attack and assigned his motorcycle cops to Roxas Boulevard to do nothing but stop U.S. Embassy vehicles and book their occupants. Because the U.S. Embassy was so much larger the arrests were running 25 or 20-to-one against the Americans. The Washington police were then told to desist from further flagging Philippine Embassy cars.

Even if the bases had been retained, American interest in the Philippines would have diminished anyway under President-to-be William Clinton. This is inherent in the

entire philosophy and program of government he had laid out during the campaign, which was to tell the American people he would accord priority to their domestic concerns rather than foreign affairs. Now that the bases have been eliminated from the equation, what would have been a policy of reduced but still vital engagement has now degenerated to "benign neglect."

Despite all the difficulties we are facing, the Filipinos have stopped running to Uncle Sam for handouts, doles and charity; we would be rebuffed anyway. We have finally realized we are truly on our own, and must win our own salvation or perish by our own hand. It is the most wonderful thing that has happened to this country. This is freedom, self-respect, emancipation, maturity. "I am the master of my fate, I am the captain of my soul."

Japan Grants Aid To Fight Energy Crisis

*HK2212114292 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 22 Dec 92*

[Text] The Japanese Government will aid the Philippines in resolving its continuing energy crisis. This was announced today by the Department of Foreign Affairs [DFA], which said that Japan has granted 1.8 billion Philippine pesos to finance the construction and maintenance of the country's various energy projects. This will hopefully put an end to the country's brownout dilemma.

The worsening power crisis has been the country's main stumbling block in attracting foreign investors. The country is currently experiencing four- to six-hour brownouts every day due to breakdowns at the National Power Corporation's power plants.

DFA Secretary Roberto Romulo said the Japanese aid will greatly help resolve the country's power crisis.

Ramos Confident of Success in Uniting Factions

*HK2112123192 Manila DWIZ Voice of the Filipino
People's Radio in Tagalog 2200 GMT 20 Dec 92*

[Text] President Fidel V. Ramos yesterday expressed confidence that government efforts to unite feuding forces in the country will succeed.

The president made this statement in reaction to the reappearance of renegade Brigadier General Jose Maria Zumel after six years in hiding. Ramos said Zumel's action indicates a desire to be a productive member of society.

In this connection, National Security Adviser Jose Almonte said he expects more rebel soldiers to participate in peace negotiations with the government.

Thailand

SRV Envoy Denies Troops Remain in Cambodia

BK1912052292 Bangkok THE NATION in English
19 Dec 92 p A1

[Text] Vietnamese Ambassador to Thailand Nguyen Trung said yesterday that the proposed survey of Cambodians to determine whether there were still Vietnamese soldiers left in that country was not necessary, as international verification was already good proof.

He said he was not sure whether Army Chief Gen Wimon Wongwanit's proposal to conduct the survey represented his own thinking or was more on behalf of the Khmer Rouge.

The proposal was floated during Wimon's meeting with military chief of the UN Transitional Authority in Cambodia (Untac) Lt Gen John Sanderson here earlier this week.

Nguyen Trung also hit out at the Khmer Rouge's persistent claims that Vietnamese soldiers were still in the country, saying it was a tactical move to sidetrack the Paris peace agreement.

Urges Increased Thai Investment

BK1912034892 Bangkok BANGKOK POST in English
19 Dec 92 p 6

[Text] Vietnamese Ambassador Nguyen Trung yesterday called for more Thai investment in his country to help boost its economy.

Mr Trung told a press conference of select journalists Vietnam has relaxed its laws to allow foreigners to co-invest directly with the Vietnamese private sector and to transfer their profits back home.

Thailand was once a leading investor in Vietnam, but lately there has been a decline in Thai investment, said the ambassador who expressed hope that Thai investment would pick up in the future because of improved relations between the two countries.

Economic cooperation between Thailand and Vietnam was temporarily suspended during the military rule, but it was resumed during the first Anan Panyarachun administration.

Thai-Vietnamese relations have since improved, particularly after HRH [His Royal Highness] Crown Prince Maha Wachiralongkon's recent official visit to Vietnam, said Mr Trung.

Foreign Minister Prasong Sunsiri will pay an official visit to Vietnam next week, while HRH Princess Maha Chakkri Sirinthon will visit that country soon.

Economic cooperation and trade ties would highlight Sqn Ldr [Squadron Leader] Prasong's visit, Mr Trung said, adding that the problem of overlapping territorial waters is also expected to come up for discussion.

The ambassador said captured Thai fishermen held in Vietnam pose a big burden for his government.

He said Vietnam wants Thailand to release Vietnamese fishermen arrested by the Thai Navy and charged with piracy.

Asked about the visit by Chat Phatthana Party leader Gen Chatchai Chunhawan to Vietnam today, Mr Trung said the general's visit was business-related and he would be received by the Vietnamese Committee for Investment.

Foreign Minister Prasong's SRV Visit Previewed

BK1912043692 Bangkok THE NATION in English
19 Dec 92 p A2

[Text] Foreign Minister Prasong Sunsiri's first trip to Vietnam as foreign minister next Wednesday will be highlighted by the signing of two economic agreements with his Vietnamese counterpart, Nguyen Manh Cam, Vietnamese Ambassador to Thailand Nguyen Trung said yesterday.

The visit also marks Prasong's first trip to Vietnam since he headed the National Security Council [NSC] in the 1980s. During his eight year tenure as NSC chief from 1980-1987, Thai-Vietnamese ties were tense with mutual suspicion triggered by the Vietnamese invasion of Cambodia in 1979.

Also on the agenda are agreements on double taxation and on the Thai government's credit loan to Vietnam of about Bt150 million, Nguyen Trung said.

Discussions would also range over proposals to reinforce bilateral trade and investment.

Prasong would discuss with his counterpart mutual concerns including fishing rights, an overlapping maritime boundary and the establishment of law and order in the sea lanes, all of which would pave the way towards fisheries co-operation.

Prasong, a one-time anti-Vietnamese hardliner, said during his first meeting with Nguyen Manh Cam in October that he was confident problems between the two countries could be resolved during his term.

Thai officials said the Cambodian issue was not expected to dominate the agenda, but both sides would discuss it in principle. They said both ministers would touch upon the restructuring of the 36-year-old Mekong Committee, of which both countries were founding members, with Laos and Cambodia.

Prasong's 19-member delegation will also include Chief of National Security Council (NSC) Gen Charan Kulanawit and chief Deputy Supreme Commander Gen Watthanachai Wutthisiri. The preparation of this trip has been conducted through the embassies of two countries and was described by the Thai officials as smooth and enthusiastic.

Nguyen Trung said Prasong's visit would lend impetus to the continuation of Thai-Vietnamese relations, which

had been steadily improving following the withdrawal of Vietnamese troops from Cambodia in 1989, but fizzled to a hiccup with a coup on Feb 23, 1991.

The relationship was reactivated in the two, one-year administrations of Premier Anan Panyarachun—a renewal marked by exchange visits between the two leaders, who met in Bangkok last October and in Hanoi in January, and their additional private talks in Phattaya in July this year.

The ambassador said he was satisfied with recent moves between Thai and Vietnamese authorities to eliminating obstacles to fisheries co-operation between the two countries.

Although there were still reports of territorial encroachments and the arrest of fishermen, the way both sides handled the situation had become more genial and lenient, he said.

However, the ambassador reiterated Hanoi's position that "law and order in the sea lanes should be properly established" before the two nations could properly co-operate in fisheries matters.

Chatchai Begins Trade Mission to Vietnam

BK2012061492 Bangkok THE NATION in English 20 Dec 92 p A2

[Text] Chat Phatthana Party leader Chatchai Chunhawan left yesterday for a six day fact-finding tour of Vietnam to assess its economic situation and potential for greater trade.

Former prime minister Chatchai stressed the visit was unofficial and that he was expecting to meet local businessmen and officials in Hanoi, Danang and Ho Chi Minh City.

"I have been talking so much about the attempt to turn the Indochinese battlefield into a new trade zone. So I'm going to take a look for myself, Chatchai said.

The Chat Phatthana leader said despite not being part of the coalition government, he would try to help promote more direct trade between Thailand Vietnam.

He said Vietnam, with its rich natural resources of oil, petroleum gas and minerals, had great potential for development.

"Thailand as a neighbouring country should enter into cooperation with Vietnam and actively take part in the development of the Indochinese state from the outset," Chatchai said.

Chatchai also voiced support for Prime Minister Chuan Likphai's remark that he wanted to see peace and prosperity in the Southeast Asia region, particular countries in the Mekong River Basin of Vietnam, Laos and Cambodia, with Asean as the nucleus.

Chuan made the remark in his welcoming statement to Philippine President Fidel Ramos on Friday.

Asked about his proposal for the establishment of the Indochinese Fund, Chatchai said the Japanese government had sent officials to discuss the matter with him.

Under the proposal, Japan will be asked to contribute toward the setting up of the fund which will be used to promote foreign investment in Vietnam.

Asked whether he considered his initiatives on foreign affairs as slighting Foreign Minister Prasong Sunsiri, Chatchai retorted: "Squadron Leader Prasong Sunsiri? I hardly know him."

Minister on Opposition Politician's Visit to SRV

BK2112055492 Bangkok Radio Thailand Network in Thai 0000 GMT 21 Dec 92

[Text] Deputy Agriculture and Cooperatives Minister Suthep Thuaksuban commented on General Chatchai Chunhawan's visit to Vietnam during 19-24 December, at a time when the foreign minister is scheduled to visit to that country on 23 December. He said he did not think it was an act to upstage the government but would like to call it an attempt of the opposition to showcase its achievement. There was nothing wrong with this.

Suthep said the activities of Gen. Chatchai and the opposition are welcome because it could spur the government and the Foreign Ministry to broaden their role and work carefully. This would strengthen the government's performance because comparison is now possible. He said Vietnam should be able to distinguish the importance of the people it talked with and whether they could carry out what they talked about. The most important thing is that the party which actually acts is the government or its authorized representatives.

Prasong on 'Attempt' To Upstage SRV Trip

BK2212022992 Bangkok BANGKOK POST in English 22 Dec 92 p 1

[Text] Foreign Minister Prasong Sunsiri yesterday hit out at former prime minister Chatchai Chunhawan and his son Kraissak, for their apparent attempt to outdo the Government in their visit to Vietnam.

"Anybody can go to Vietnam, but in what capacity is another matter.

"If the visit is aimed at helping develop that country, that would be good. But we should not cheat them (the Vietnamese) or give them false hopes," the minister said.

Sqn Ldr [Squadron Leader] Prasong is scheduled to visit Vietnam on a three-day tour beginning tomorrow.

Gen Chatchai has criticised Sqn Ldr Prasong for his handling of foreign affairs, particularly the conflict

between Thailand and Burma over Hill 491 and the UN resolution to impose an oil embargo on the Khmer Rouge.

The Chat Phatthana Party leader has also claimed that Sqn Ldr Prasong was not capable of handling the country's foreign affairs because he was not known internationally.

"How can anybody know me. I have not had my assets seized," the minister said.

Sqn Ldr Prasong said he believed that the news of his plan to visit Vietnam could have been leaked and this resulted in somebody else travelling to that country before him.

"This is my initiative but somebody else has followed suit," Sqn Ldr Prasong said.

The minister added: "Soon the father and son will know me better."

Sqn Ldr Prasong said he was invited by Vietnamese Foreign Minister Nguyen Manh Cam.

The minister said the purpose of his visit to the Indochinese nation was to introduce himself, to exchange views to further expand bilateral relations and to pursue other pending issues such as the fishing problems and the overlapping territorial waters.

Vietnamese refugees who have been stranded in Thailand for a long time will also be discussed, Mr Prasong said.

Paper Previews Minister's SRV Trip

BK2212032792 Bangkok THE NATION in English 22 Dec 92 p A6

[Article by Kunlachada Chaipiphat entitled: "A VN-Basher Now Embraces Hanoi"]

[Text] Foreign Minister Prasong Sunsiri's visit to Vietnam tomorrow would be a fresh impetus to the continuation of the so-called new-found friendship between Hanoi and Bangkok. Though theoretically this trip is supposed to be an epic in Thai-Vietnam relations, certain events however have taken this excitement away.

For one, Prasong's trip was overshadowed by the much awaited announcement by Washington last Monday to relax its trade embargo against Vietnam.

Also, whether intentionally or just as a matter of coincidence, but surely as an irritant to Prasong, is former premier Chatchai Chunhawan's high-level economic mission to Hanoi at the same time. Chatchai now in the Opposition Chat Phatthana Party, has been the prime mover of turning the battlefield of Indochina into marketplaces. During Chatchai's tenure as prime minister before he was toppled by the Feb 23, 1991 coup, Thailand enjoyed excellent relations with Laos, Cambodia and Vietnam.

Vietnamese Ambassador Nguyen Trung was quick to say that Chatchai's visit to his country was coincidental and pointed out that Hanoi welcomed every foreign mission to the country.

In his usual pompous style, the Chat Phatthana leader on Saturday as a Santa Claus, probably to reflect the season of giving which happens to be just around the corner. Chatchai's Christmas delights for cash-strapped Vietnam includes a proposal to establish a Japanese-supported Indochina Development Fund to stimulate foreign investment in the three Indochinese countries. Prasong on the other hand, as compared to Chatchai, has fewer goodies in his pocket to offer.

The Thai foreign minister is expected to sign two pending agreements conceptualized during his predecessor Asa Sarasin's tenure in office. The first is on the avoidance of double taxation and other is the Thai government's credit loan to Hanoi worth about Bt 150 million, to respectively promote Thai investment in Vietnam and to enable Vietnamese to have greater purchasing power to absorb more Thai goods.

Despite Prasong's wish to use this trip, perhaps his first since 1980 when he started to serve as chief of National Security Council [NSC], to correct his past rivalry with Vietnam, the complexity however of various pending issues especially the fishing row between the two nations could scuttle his plans.

The former CIA-trained boss of NSC was so eager to visit Vietnam that he even placed the trip as first priority before his familiarization tour to ASEAN countries. He also said in October at his first meeting with Foreign Minister Nguyen Manh Cam that he was confident that pending issues would be resolved during his term in office.

But officials at the Foreign Ministry said Prasong's trip to Vietnam would not prompt a dramatic exercise in Thai-Vietnamese relations. On the other hand, they said it might lay the groundwork to secure pragmatic approaches in trying to settle pending issues, in particular the fishing dispute.

Even though past acrimonies between these two nations were symbolically buried with two landmark summits and one private meeting between former premier Anan Panyarachun and Vietnamese Premier Vo Van Kiet and with Bangkok's stepped-up efforts during the Anan administration to cement ties with Hanoi, much however remains to be done to overcome lingering suspicions. There is still mutual distrust among the security apparatus and bureaucrats of both countries.

On the positive side with regard to Thai-Vietnam relations, a number of agreements including one on joint promotion and protection of bilateral trade and investment and another on the establishment of Thai-Vietnamese Joint Commission on Economic Cooperation, had been concluded last September.

In August this year, the NSC granted Thai citizenship to about 9,000 third generation Vietnamese in Thailand, an effort which was previously opposed to by Prasong when he was then the country's top security chief. Thailand also set up its Consulate General in Ho Chi Minh City in September to facilitate growing trade and investment between the two countries and to coordinate with Vietnam's southern authorities in securing the release of Thai fishermen detained in those provinces' prisons.

Vietnam regarded HRH [His Royal Highness] Crown Prince Maha Wachiralongkon's visit to Vietnam in November—the first by a member of Thai Royal family in the 17 years of ties between the two countries—as highly significant to the development of bilateral ties, and was planning for another royal visit by HRH Princess Maha Chakkri Sirinthon.

Hanoi in turn is also looking at return visits by Vietnamese leaders to Thailand in due time. The crown prince when he was in Vietnam had extended an invitation to Communist Party leader Do Muoi to visit Thailand.

On the problematic side of Thai-Vietnam relations is the lingering thorn in trying to come to a consensus on the pending fisheries agreement. Frankly speaking this would only come into fruition if both parties take proper steps to establish law and order in the sea lanes. Yet the conclusion of the agreement would also depend on how extensively both countries cooperate to delineate their maritime boundary and identify their overlapping maritime zone.

Earlier in July, former Foreign Minister Asa Sarasin and Nguyen Manh Cam agreed during their meeting in Bangkok to set up a joint committee that included naval officers to discuss ways and means to establish law and order in sea lanes. So far however, the committee is yet to meet. Vietnamese Ambassador to Thailand Nguyen Trung said he hoped Prasong's visit would lead to inauguration of the panel's meeting.

"The restoration of law and order in the sea lanes is not a precondition to the signing of fisheries agreement," explained the ambassador, emphasizing that such cooperation was in fact based on mutual interest. The ambassador added that if trouble-free sea-lanes were established, a conducive environment could be created to facilitate early signing of the joint fishing agreement.

Despite the agreement by the two governments to embark on a new game plan to create trouble-free sea-lanes prior to securing the fisheries agreement, Ambassador Nguyen Trung said violations of territorial waters and the arrests of fishermen by both sides continued. He attributed violations to the ignorance of Thai fishermen of the Vietnamese government's policy.

The only improving sign he said was the way both sides handled the situation. "Both sides now approach the problem in a more conciliatory manner," he said, adding

that at least Thai security officers no longer called the arrested Vietnamese "pirates".

Prior to the crown prince's visit to Hanoi, Bangkok handed over to Vietnam 30 Vietnamese fishermen (the last batch of detainees in Thai jails). In return Vietnam released over 50 Thai fishermen after forcing them to pay fines. When the prince visited Vietnam in November, another 30 Thai fishermen were released unconditionally.

Nguyen Trung quipped that it was now a thing of the past that Vietnamese southerners are apprehensive about entering into fishery accords with the Thai private sector.

But he cautioned that the southerners might not be happy with the continued violation of their economic zones by Thai trawlers and being overburdened by playing host to about 1,000 Thai fishermen detained in their prisons.

At the first board meeting of the NSC last week, the Thai government expressed concern over the "growing conflict of interest" in the Gulf of Thailand in which more than three countries had laid claims to parts of their territories but had not come up with clear guidelines to establish law and order in those areas in order to minimize conflict.

However the first meeting of the Thai-Vietnamese Technical Boundary Committee in Bangkok in September yielded some progress, though it was still far from resolving anything because of technicalities.

The Vietnamese ambassador said the delineation of maritime boundary as well as identification of overlapping sea territory have made satisfactory progress and he hoped the second meeting would be held soon in Hanoi.

He said the two sides resolved that either the delineation could be conducted right away or the two countries could enter into joint cooperation to develop the overlapping territory. The Thai side involved in the negotiation said this would mean both processes could take place simultaneously.

The overlapping space between the two countries in the Gulf of Thailand which approximately covers 6,000 square-metres was caused by unilateral claims of 200-mile Exclusive Economic Zone made by both sides according to the international maritime laws and the UN Convention on the Law of the Sea. The Thai side said however they wanted Hanoi to relocate their present boundary away from the actual line which was found to be over-stretched.

Part of the success in resolving this overlapping maritime territory could in a limited way pave the way for the signing of the fisheries agreement and make the Foreign Minister Prasong look credible in the eyes of the Vietnamese leaders.

The previously anti-Vietnamese hardliner persistently said he was changing with time. That statement that can only be substantiated by his actions in trying to cement Thai-Vietnamese ties.

Joint SRV Project Suffers 'Difficult Adjustments'

*BK2112032992 Bangkok BANGKOK POST in English
21 Dec 92 p 30*

[By Suphapon Kanwirayothin]

[Text] When Surat Canning Co "discovered" Kien Giang province four years ago, it saw the area as a production base for canned seafood. The plant would be constantly supplied with raw materials caught from rich waters off Vietnam's southwestern coast.

Provincial authorities, too, looked to a better day for their primitive fishery and processing industries, with know-how transferred by the Thais who would set up an integrated operation in the province.

Kien Giang has authority over about 2,000 kilometres of coastline which forms half of Vietnam's Fourth Fishing Zone bordering the waters of Cambodia.

With their shared vision, Surat Canning and Kien Giang Fishing, Processing and Export Co of the People's Committee of Kien Giang agreed in October 1990 to set up a joint venture called Surat-Kien Giang Marine Food Processing Co or, in short, S&K Company Number 2.

Two years have passed and the relationship has moved into a new, testing phase of difficult adjustments.

These involve the gap between capitalist and communist thinking, Thai insensitivity to Vietnamese, Vietnam's unrealistic expectations for overnight success, the Thais' inability to deliver what they promised and unforeseen circumstances on the world market, specifically the strength of the dolphin-safe lobby affecting canned tuna exports.

These factors surfaced as both sides reviewed their two-year partnership during interviews.

But both the Thai-speaking deputy manager director, Du Soh Mang, and the Vietnamese-speaking managing director, Sathon Ruksarat, expressed firm determination to collaborate and make S&K Co No 2 work.

Among the problems aired by the Vietnamese partners were the high interest payments the company bears for investment capital borrowed in Thailand and the joint venture's inability to run at full production and market all its products as planned.

"We are not so happy because we are losing money," said Nguyen Duo Thang, director of the Kien Giang Provincial Fishery Organisation. Mr Thang, who is also an elected lawmaker in Vietnam's National Assembly, sits on the board of directors of S&K Co No 2.

Apart from S&K Co No 2, Surat Canning is involved in two other joint projects in Kien Giang: Viet Thai Food Co, which produces canned pineapples, and S&K Co No 1, which operates a fishing fleet.

At the start of their relationship, both sides defined the objectives as effective processing and sale of marine resources through the joint fishing fleet of Surat Canning and Kien Giang State Fishing Company, and of those caught by Vietnamese.

In their planning stage, the two sides said they would work to export 80 percent of the canned products, while the balance would go to Vietnam's domestic market.

Part of the deal was for technology transfer of processing skills, improvement of cold stores, an ice factory, the facility to turn raw material waste into animal feed and a contribution to staff training.

"Surat Canning had been trading in sea products with us for two years before the joint venture. We have confidence in Surat Canning's modern technology in canned food and seafood processing as we have seen its operations in Thailand," Mr Thang said.

Surat Canning insists that the joint venture must be located in Kien Giang to be close to the source of raw materials and a good labour supply—two points which Vietnam often touts as strong reasons why foreign investors should go to Vietnam.

"Our products have to be cheap and competitive. But so far, things have proven not so effective," said Mr Thang.

However, initial preparations proceeded smoothly, enabling the operation to start last September.

"When we set up, we did not realise that we had to import cans, tomatoes and chemical ingredients which Surat Canning sold at very high prices," he said.

The import of cans and ingredients amounts to 50-52 percent of the entire production costs the company has to shoulder, according to the Vietnamese.

"And since we lacked capital, we had to borrow money which Surat Canning found at an 18 percent interest rate. Therefore, we had to spend much money to pay back the interest," Mr Thang said.

S&K Co No 2 had poured in \$700,000, but it is sinking into a debt of \$400,000 plus 18 percent interest, which is worrying the Vietnamese.

Under the terms of the joint venture, Surat Canning is to market 80 percent of the output and Kien Giang province is to take care of the rest, but Mr Thang noted that in practice, the Vietnamese have been selling 60 percent of the products and exports are far short of target.

The 60 percent sales seemed to be the limit because the products were meant for export, so the taste did not appeal to Vietnamese consumers, according to Mr Thang.

"The contract is one thing and reality is another," he said of the experience. When S&K Co No 2 produced six containers of canned tuna, Surat Canning reportedly received warnings of a product boycott because the Earth Island Institute questioned the dolphin-safe criteria of tuna catches off Vietnam.

"The dolphin problem has contributed to a severe cut in prices and quantities in the market and we all know the poor market situation. The major buyers of tuna in Germany are fully in line with the institute and so are most people determining this trade," said a letter from Surat Canning's foreign partner.

"Vietnamese fishermen always respect dolphins because we all believe that dolphins help rescue shipwrecked people. You can even see people worship dolphins on Phu Quoc Island," said Mr Thang of Vietnam's own dolphin-safe criteria.

Surat Canning has, since the first half of this year, striven to obtain the label of Dolphin Safe Corporate Policy from the institute and has issued instructions for its factory to reject catches from drift nets or gill nets.

Faced with such unforeseen difficulties, S&K Co No 2 moved to shift its production line to shrimp canning, starting last March.

The board meets twice a year, but with many problems arising, it intends to meet more often.

"We expect the situation to be better next year with the lifting of the US embargo against Vietnam," Mr Thang said.

Mr Thang has some ideas to overcome the hurdles: firstly, the company must find a way to reduce production costs secondly, it has to find new loan sources with lower interest rates, and thirdly, it must ensure that its products are salable.

"The worst-case scenario is bankruptcy and we don't have that in mind yet," he stressed.

Prasong on Possible Talks With Khmer Rouge

BK2012150792 Bangkok Army Television Channel 5 in Thai 1230 GMT 20 Dec 92

[Text] Foreign Minister Squadron Leader Prasong Sunsiri said that there had been no answer from the Supreme National Council of Cambodia, or SNC, on whether or not to allow Thailand more time, after the 31 December deadline, to transport felled logs out of Cambodia.

[Begin recording] [Prasong] We have sent officials to negotiate with them, but we have got no clear answer so far. Nevertheless, there has been no clear-cut objection from them either.

[Unidentified reporter] It sounds like UNTAC [UN Transitional Authority in Cambodia] was attacking Thailand for trying to get the deadline extended just to protect the interests of some people.

[Prasong] It should not be so; I have heard nothing to that effect. There has been no report about UNTAC criticizing us on this issue. [end recording]

Squadron Leader Prasong Sunsiri did not rule out the possibility of the Thai Government holding talks with the Khmer Rouge in a bid to persuade them to participate in the Cambodian peace process. He said the Thai Government has contacted the Khmer Rouge, both openly and in secret, in order to hold talks with them. The Thai authorities, including the army commander himself, are negotiating with Khieu Samphan, the Khmer Rouge leader.

To Meet Khmer Rouge After SRV Trip

BK2212024192 Bangkok THE NATION in English 22 Dec 92 p 1

[Text] Foreign Minister Prasong Sunsiri says he will meet Khmer Rouge leaders after he returns from Vietnam and will try to persuade them to rejoin the peace process in Cambodia.

Prasong, scheduled to begin a three-day visit to Vietnam tomorrow, did not give a date for the meeting with the Khmer Rouge.

He made it clear yesterday that he believed the role of "outsiders" in Cambodia should end once scheduled elections were held next year.

"Once Cambodia has a president, or whatever the figure will be called, it will have its own people to handle the conflict," Prasong said.

"Outsiders" then should then stay out of it and allow Cambodians to decide their own fate.

Prasong said Thailand favoured Prince Sihanouk, chairman of Cambodia's Supreme National Council (SNC), for the post of president—even if he was the sole candidate.

Sihanouk had the respect of his people and of the international community, Prasong said, and would be best able to end the conflict in the war-torn country.

He understood all four factions in Cambodia supported the idea of a separate presidential election before the scheduled general election in May and favoured Sihanouk for the position.

PLO Minister Wants Representative in Bangkok

BK2112144792 Bangkok Army Television Channel 5 in Thai 1230 GMT 21 Dec 92

[Text] The Palestine Liberation Organization [PLO] wants to open a representative's office in Thailand. PLO Foreign Minister al-Qaddumi stressed this to Foreign Minister Squadron Leader Prasong Sunsiri during a courtesy call today. The two ministers exchanged views on the Palestinian problem. Prasong told his counterpart that the PLO request would be studied. He thanked the PLO for helping

Thailand in the evacuation of Thai workers from the danger zones during the Gulf War crisis.

Concerning the present status of the PLO, Thailand recognizes it as legitimately representing the Palestinian people and is considering giving recognition to the Palestinian state. On settlement of the problem of land for the Palestinian people, Thailand supports the UN resolutions on peaceful settlement of the problem.

Urges Finalization of Bangkok Office

*BK2212021592 Bangkok THE NATION in English
22 Dec 92 p 2*

[Text] The Palestine Liberation Organization (PLO) yesterday urged Thailand to finalize its plan to allow the opening of a representative office here, the Foreign Ministry spokesman Sakthip Krairoek said.

PLO Foreign Minister Faruq al-Qaddumi put forward the request to his Thai counterpart, Prasong Sunsiri, in Bangkok yesterday.

Thailand is expected to consider the PLO plan.

UN Human Rights Official Visits Burmese Border

*BK1912031892 Hong Kong AFP in English 1237 GMT
18 Dec 92*

[By Robert Birsell]

[Text] Mae Sot, Thailand, Dec 18 (AFP)—U.N. human rights rapporteur, Yozo Yokota, arrived in this border town Friday on the third leg of his trip to investigate the human rights situation in Burma, Karen refugee officials said.

Yokota is due to spend two days on this frontier speaking to Burmese people who have fled from their country alleging human rights violations by the military there.

Upon his arrival here Yokota was whisked away by ethnic minority Karen refugee officials to an undisclosed destination to begin gathering evidence.

He was expected to meet people who had been press-ganged by the Burmese military to carry ammunition and other supplies during their campaigns against Karen and other guerrillas, a relief worker said.

He was also expected to meet people who have fled from forced-relocation sites, where the military has ordered villagers, accused of sympathizing with the guerrillas, to new locations near government-controlled towns, the volunteer said.

Yokota arrived in Thailand Thursday from Bangladesh where he visited Burmese Muslim refugees who have fled from their country alleging widespread atrocities by the Burmese Army.

Before going to Bangladesh Yokota spent a week in Burma where he was denied access to the detained

opposition leader Aung San Suu Kyi, even though he had been mandated by the U.N. to meet her.

Speaking at Bangkok airport Thursday Yokota said Burma's ruling junta had given him no reason for refusing to let him meet Suu Kyi, but his trip had nevertheless been worthwhile.

"I was able to gather more information than if I hadn't made the visit," he told AFP.

He declined to detail how the State Law and Order Restoration Council (SLORC) had responded to his repeated appeals to see Suu Kyi and other detained political leaders, saying the manner of his refusal would be contained in his report to be released late January.

There are more than 60,000 Burmese refugees living in a string of camps along the Thai side of the border.

Most of them are ethnic minority people fleeing the Burmese military's offensives against the guerrillas who have been fighting for greater autonomy for more than 40 years.

The refugees tell of the summary execution of suspected guerrillas or guerrilla sympathisers.

They also tell of villages being razed, livestock slaughtered and crops destroyed as the Burmese Army attempts to deprive the guerrillas of their civilian support base by forcing villagers to flee to government-controlled lowland.

The military press-gangs hundreds of men, and often women too, to act as porters in the rugged jungle-covered mountains of eastern Burma.

Human rights workers have documented numerous cases of porters being executed when they are too weak to carry their loads and of women porters being gang-raped by soldiers.

Recently hundreds of people have been arriving on the border to the north of this town alleging that they have been forced to work without pay on large-scale infrastructure projects such as railway lines and roads.

Opponents of the regime say people are being forced to work as virtual slaves constructing roads and clearing jungle for foreign oil companies prospecting for oil and gas.

The Burmese junta, which repeatedly denies that it violates human rights, says the ethnic minority people who have fled to Thailand are not genuine refugees but the families of the rebels.

International human rights groups such as British-based Amnesty International have repeatedly slammed the Burmese junta for its human rights violations against political opponents and ethnic and religious minorities.

Joint Move Planned Against EC Tuna Quota Plan*BK1912033892 Bangkok BANGKOK POST in English
19 Dec 92 p 13*

[Text] Thailand is to cooperate with another two ASEAN member countries, which are major exporters of canned tuna, in attacking the European Community's plan to impose quota restrictions on their products.

The issue was raised with the Philippines' Trade and Industry Ministry secretary, Rizalino Navarro, who made a courtesy call on Commerce Minister Uthai Phimchaichon at the ministry yesterday.

Mr Navarro is among Philippine President Fidel Ramos's delegation which stays in Bangkok for four days to strengthen their trade relation with Thailand.

Mr Uthai said the issue was also discussed at yesterday's meeting between Gen Ramos and Deputy Prime Minister Supachai Phanitchaphak at the Government House.

Both countries agree that the three ASEAN member countries, which are major exporters of canned tuna to the EC, should join forces to attack its plan to place import quotas on canned tuna.

Within the cooperation framework the three countries will file a petition with the Geneva-based General Agreement on Tariffs and Trade against the move as it is likely to violate GATT rules.

The EC recently announced its plan to impose 74,000-ton import quotas on canned tuna from all countries and provide a 30,000-ton special quota for canned bonito sadar tuna, starting in January 1993.

Mr Uthai said the three countries will try to urge the GATT to ask the EC to drop this plan before the yearend.

However, as the dispute is likely to be prolonged due to the GATT's negotiation process, the three countries will also seek higher quotas from the EC.

"If the negotiation process is prolonged, we may lose the opportunity to export the product to the EC, so we will try to negotiate with the EC to increase the global quotas," he said.

Energy Cooperation Discussed With PRC Delegation*BK2012085092 Bangkok Radio Thailand Network
in English 0000 GMT 20 Dec 92*

[Text] Thailand and China plan to cooperate in the field of energy. A delegation from the National Research Center for Science and Technology of China recently met the administrative board of the Electricity Generation Authority of Thailand, or EGAT, to discuss a plan on cooperation in energy research and development between Thailand and China. At the meeting, China proposed the sale of electricity from the power plant in Yunnan Province to Northern Thailand and cooperating

in the construction of the power plant at the border between Yunnan and Thailand.

Deputy General Manager of EGAT Somwong Posayanon said the two countries will hold further talks again soon. He said if the plan is implemented, Thailand will highly benefit as it can reduce EGAT's burden of responsibilities of electricity generating in the North.

Foreign Ministry Statement on Indian Racial Riot*BK1912085192 Bangkok Radio Thailand Network
in English 0000 GMT 19 Dec 92*

[Text] Thailand has expressed her deep regrets over one of the worst riots in India. The statement issued by the Ministry of Foreign Affairs says the Royal Thai Government has learned with deep regrets the great loss of life, the unrest, and the violence that followed the destruction of the historic mosque in Ayodhya. The Royal Thai Government, however, is pleased to note that the Indian Government has swiftly taken urgent measures and actions to unequivocally condemn this act, to restore law and order and, as a note for gesture of national unity and reconciliation, to reassure that the mosque will be rebuilt.

The statement continues that the multiracial and multi-religious include both Muslims and Hindus strongly believe in mutual respect of all religions, their sacred places of worship. [sentence as heard] It is therefore hoped that the Indian Government's strenuous efforts to uphold the Indian tradition of mutual respect of all religions and to bring about the solution of this damaging secular dispute by means of peaceful negotiations would soon be successful. It concludes that it is Thailand's fervent hope that peace, tranquility, and unity will quickly be restored to the people of India and that no section of the great Indian multiracial society will have to live in jeopardy as a result of this tragic event.

Economic Plight of Southern Provinces Viewed*BK2012042092 Bangkok THE NATION in English
20 Dec 92 p A9*

[By Aree Mamat]

[Text] Thailand's economic development policy in the South will remain only a dream as long as local difficulties remain unresolved.

Southerners have long felt that they have been neglected and that the government has been all these years paying only half-hearted attention to their needs.

At a meeting with businessmen from the five southern border provinces in Hat Yai a week ago, Foreign Minister Prasong Sunsiri looked a little ill-at-ease when told by the businessmen that there were numerous problems that needed to be dealt with before any new economic policy could be successfully launched there.

Notably, they pointed to the lack of proper infrastructure as the most important factor now holding back economic development in the region.

The southernmost border provinces have long faced political conflict resulting from ethnic and cultural differences between the mostly-Muslim local people and the Thai government. The situation has hindered development projects.

So government development policies implemented in the south have been designed as part of national security measures to fight the local Muslim separatist movements rather than to improve the economic situation there. Thus most of the development schemes failed due to the lack of sincerity and seriousness on the part of the government.

The mutual suspicion of the local authorities has resulted in the residents there viewing each other with hostility.

The region also faces a high unemployment rate. With no work available at home, local people, both males and females have been forced to seek jobs in Malaysia and Singapore.

The agricultural sector, fishing, fruits and rubber plantations in the southernmost provinces still remain unproductive and undeveloped due to the lack of properly planned government development projects. Farmers and fishermen are among the poorest people in the area.

The price of natural rubber, one of the main agricultural products in the region has remained low during the past years but the governments in the past failed to help raise it.

As fruits such as rambutan, long kong, lang sat, durian and mangosteen are considered as among the most important agricultural products in the region, but only small markets are available for them.

So far, not a single canned fruit or fish factory has been established in the region except for one in Satun. While there are several batik cloth and palm oil factories over the Malaysian border.

The only airport serving the region is at Hat Yai. "It's a waste of time for local businessmen or tourists to travel for hours to Hat Yai just to catch a direct flight to Bangkok," said local businessmen.

The southern border provinces of Pathni, Yala, Narathiwat, and Satun are located near many of the Asean countries especially Malaysia, Singapore, Indonesia and Brunei, so direct air links with those countries are of vital necessity.

These countries are, both politically and economically, more stable than Thailand. In addition, local people frequent Malaysia, Singapore, Brunei and Indonesia more so than Thais who live elsewhere in the country.

The southern region is unlike other parts of the country which border not only less developed nations but also

politically unstable ones such as those neighbouring the North and Northeastern provinces.

Prasong was also briefed during the meeting on the drawbacks caused by red tape and the incompetence of the bureaucracy in the region.

Most of the public officials at the border provinces have been dumped there from other regions as punishment for some misdemeanor that they had committed, so they do not perform as well as they should.

"Bribes and other forms of corruption are common among the local officials particularly those who are working at the border areas," said Udon Semphithak, a Hat Yai trader.

Southern traders also expressed their deep concern over the difficulties faced by tourists and businessmen when crossing the border into Malaysia created by Thai border officials.

"In Changloon, Sadao district of Songkla, there are two border checkpoints one is called Dan Nok and other is Dan Nai, where local people, foreign tourists and businessmen always meet with problems," complained Chan Lilaphom, chairman of the Songkla Chamber of Commerce.

In contrast at the Malaysian side of the border, the officials are more efficient and customs and immigration clearance is carried out smoothly. Double border checkpoints at one place are not to be found in Malaysia as is the case with Thailand.

There is also no need to fill two separate forms at immigration offices just to spend only few hours in Malaysia. Malaysia has long computerized the processing of travel and other documents.

Satun is crying out for a permanent commercial seaport as the sea is the only link Malaysia. [sentence as published]

"Because there is no port, Satun province has found it difficult to export its goods like natural rubber to Malaysia. The authorities concerned should invest in a port here as soon as possible for expanding trade not only to Malaysia but also to Indonesia," said Montari Samantharat, secretary general of the Satun Chambers of Commerce's [sentence as published]

Interestingly, in tambol Puyu, Satun Muang district, many of the local children attend school on the other side of the border while some local residents receive medical treatment in Malaysian hospitals.

The most urgent problem to be resolved is political. As stated earlier, the southernmost border provinces have long been suffering from backwardness from the government's reluctance to improve the local economy because of Muslim separatism in the region.

Thus the traditional view of national security-comes-first adopted by past governments should be replaced by a fresh policy that combines political solutions with economic development.

A Yala businessman, Suda Phalawan said local investors dare not plunge their funds into the region because they had full understanding of the problems plaguing it.

"Local businessmen are not interested investing in projects here as they fully understand the problems, they dare not take the risk of launching their business ventures in the region," he said.

While the the government talks about how eliminate the activities of Muslim separatists and the bandits, there is a pessimistic tone when they turn to discuss local economic development, charged Udom Niyomsombun, a Pattani trader.

Previous government projects the likes of the Self-Help Settlement, Self-defence and Voluntary Community Development, were all unsuccessful because they lacked serious intent.

Economic deterioration, social problems and political conflict festering in the southern border provinces have to be resolved seriously before any new development programme can be launched in the region.

The government should take stock of past failures and see what lessons it can learn from them, otherwise large amounts of public funds will be sunk there for no profitable return, and the time wasted too should be taken into account.

Public Health Ministry Updates AIDS Information

BK1912050992 Bangkok BANGKOK POST in English 19 Dec 92 p 2

[Text] The number of AIDS patients is now 1,105, according to November's report by the communicable diseases department of the Ministry of Public Health.

The report says that up to November of this year 61 people acquired the disease, mostly as a result of sexual intercourse.

According to the report, in 77.2 per cent of cases the disease is sexually transmitted, in 11 per cent it is transmitted to children by their mothers, in 9.1 per cent it is due to drug abuse, and in one per cent it is the result of blood transfusions.

The cause of 1.6 per cent of cases is unknown.

From the time the first AIDS patient was traced in Thailand in September 1984, most males infected have been aged between 25 and 29, whereas most women with AIDS have been 20-24.

The largest single occupational group of AIDS patients is found to be labourers.

Up to November this year, 268 AIDS patients came from Chiang Mai 167 from Chiang Rai and 157 from Bangkok.

The director general of the communicable diseases department Prayun Kunasol, said one of the main ways of helping to prevent the spread of the disease is to publicize its causes and effects.

Dr Prayun said young people are a target group and need to know more about the disease.

If the publicity is effective, officials will not need to close brothels; they will close of their own accord when people become aware of the dangers, he said.

"It is time for all work units involved to inform people about the disease. The matter gets more and more serious every day," he said.

Meningitis Vaccine Produced; Imports Still Needed

BK2112071292 Bangkok Radio Thailand Network in English 0000 GMT 21 Dec 92

[Text] The Department of Medical Sciences, Ministry of Public Health, has been successful with the production of a vaccine against meningitis. Adviser to the department, Dr. Nathirat Sangkhawipha, announced the success. He said meningitis is caused by a mosquito-borne virus. Most cases have been found in the north and northeast among children of under 14 years of age. The Ministry of Public Health reports some 1,000 cases at present. It is also reported that about 60 percent of patients who recover from meningitis still suffer a deficiency in the nervous system which results in paralysis and mental retardation.

Dr. Nathirat says meningitis can be prevented through vaccination. The Department of Medical Sciences has successfully produced a vaccine which is of the same quality as that produced abroad. However, the production has not yet met the demand and importation of the vaccine is still needed.

According to the Public Health Ministry's plan, meningitis will be under control with the prevention program throughout the country. Beginning in 1987, the number of patients has decreased. It is expected that 80 percent of meningitis cases will drop over the next five years, while the Department of Medical Sciences will accelerate its vaccine production in order to reduce the import.

Vietnam

Foreign Minister Comments on U.S. Relations

BK2112145992 Hanoi VNA in English 1356 GMT 21 Dec 92

[Text] Hanoi VNA Dec. 21—Foreign Minister Nguyen Manh Cam has said that in the past year Vietnam has made important gains in its external activities, won wide international support and sympathy for its renovation and open-door foreign policy, thus helping to raise the international status of the country, increase the number of friends, and

dealing a heavy blow to the scheme of the hostile forces of encirclement and embargo against Vietnam.

In an exclusive interview with the English-language VIETNAM NEWS, the foreign minister singled out the accession of Vietnam to Bali Treaty and Vietnam's becoming an observer of the ASEAN organisation as a new and very important step in the process of regional cooperation which is beneficial to peace in Southeast Asia and the whole Asian and Pacific region and the continued improvement and development of relations with China.

He said that Japan's resumption of its ODA [Official Development Assistance] programme after 14 years of interruption by providing 370 million dollars of loans with preferential terms marks a new period in the cooperative relations between the two countries, which will undoubtedly exert a positive impact on the regional cooperation.

Commenting on the relations between Vietnam and the United States, Nguyen Manh Cam said: As we can gather from many sources of information, the policy of the United States with regard to Vietnam under the Clinton administration will have no noticeable change compared to the Bush Administration. Mr. Clinton supports the policy of Mr Bush on Vietnam issue.

But public opinion in the United States and the world at large, including within the US allies, is increasing pressure to ask an end to the US embargo and normalisation of relations with Vietnam. We hope that in the coming period the normalisation process will be accelerated in accordance with the desire of both peoples and world opinion.

Commentary Welcomes Latest Gesture by Bush

*BK2112161192 Hanoi Voice of Vietnam in English
1000 GMT 21 Dec 92*

[Station commentary]

[Text] Senator John Kerry and Senator Robert Smith, respectively chairman and vice-chairman and other members of U.S. Senate Select Committee on the MIA-POW Issue, ended their visit to Vietnam on December 18. Regarding this event, our commentator has this to say:

This visit was made only three days after the U.S. Government made the announcement to ease its trade embargo against Vietnam. During its visit, the U.S. Senate delegation commended the Vietnamese Government and people humanitarian policy, and informed the Vietnamese side of U.S. President Bush latest measures to ease U.S. embargo. The U.S. Senate delegation was received by party General Secretary Do Muoi, State President Le Duc Anh, and at a working session with Foreign Minister Nguyen Manh Cam, and other officials concerned.

During those sessions, the U.S. Senate delegation was highly appreciative of Vietnam's humanitarian policy, in the settlement of U.S. humanitarian issues, including the MIA issue. The Vietnamese side affirms that it has always regarded the MIA issue as a purely humanitarian issue,

which is why the tens of thousands of Vietnamese missing in the war have not been found. The Vietnamese Government and people have cooperated and will continue that cooperation with the U.S. side in order to eliminate the suffering of U.S. families whose relatives are still missing after the Vietnam war. The Vietnamese side expressed its readiness to cooperate with the U.S. in collecting the remains as well as collecting all sources of information about MIAs, including reports on live-sightings of American left by the war. The Vietnamese Government is also ready to allow those U.S. families with missing relatives after the war, and who are still unaccounted for, to come to Vietnam to have a first-hand knowledge of Vietnam's humanitarianism and cooperation.

Together with Vietnamese specialists, they can better investigate cases involving their relatives. The Vietnamese side welcomes the President Bush latest gesture towards normalizing relations between the two countries. It is of the view that in the interest of the two countries, and for peace and stability in Southeast Asia, the U.S. Government should move more quickly in that direction.

Activities of U.S. Senators Reported

*BK2212072392 Hanoi VNA in English 0616 GMT
22 Dec 92*

[Text] Hanoi VNA Dec. 22—Two representatives of the U.S. Senate Select Committee on POW/MIA affairs last week applauded Vietnam for its humanitarian policy in this issue.

The American representatives, Senator John Kerry, a Massachusetts Democrat, and Senator Bob Smith, a New Hampshire Republican, were in Hanoi on Thursday and Friday [17 and 18 December], during which they were received by Communist Party General Secretary Do Muoi and President Le Duc Anh and met with Foreign Minister Nguyen Manh Cam, Colonel General Dang Vu Hiep who is deputy chief of the General Political Department of the Vietnam People's Armed Forces, and officials at the Vietnamese MIA Office and the Army Museum.

In those different contacts Senator Kerry, chairman, and Senator Smith, vice chairman, of the select committee, informed their Vietnamese side of steps taken by President Bush in easing the economic embargo. They also said that a number of American families, still unsure about the fate of their men, wished to have continued cooperation from Vietnam in bringing the issue to a close.

The American senators were assured that the MIA issue had always been viewed by Vietnam as a purely humanitarian issue. In this sense Vietnam will continue to cooperate with the United States in an effort to relieve the suffering of American MIA families although hundreds of thousands of Vietnamese MIA are still unaccounted for.

The United States will continue to have Vietnam's cooperations in the retrieval of remains, in the collection of MIA information and in resolving live sighting reports, it was further stated.

Moreover, American families will be allowed to come to Vietnam to see for themselves how earnest Vietnam is in its cooperation and to join Vietnamese experts in determining the fate of their men.

Vietnam welcomed recent moves made by President Bush towards normalisation and said that the United States should move faster for the good of the two peoples and in the interests of peace and stability in Southeast Asia.

Reportage on Visit of ROK Foreign Minister

Yi Sang-ok Arrives

BK2112152592 Hanoi VNA in English 1514 GMT 21 Dec 92

[Text] Hanoi VNA Dec. 21—Mr. Yi Sang-ok, foreign minister of the Republic of Korea, arrived here this afternoon for an official visit to Vietnam at the invitation of Foreign Minister Nguyen Manh Cam.

Minister Yi Sang-ok and his party were received at the government guest house by Foreign Minister Nguyen Manh Cam.

Also present at the reception was Pak No-su, head of the ROK Liaison Office in Hanoi.

Foreign Minister Nguyen Manh Cam gave a banquet here this evening in honour of Foreign Minister Yi Sang-ok and other guests from the ROK.

'Full Diplomatic Relations' Established

BK2212051792 Hong Kong AFP in English 0508 GMT 22 Dec 92

[Text] HANOI, Dec 22 (AFP)—South Korea and Vietnam, former Cold War foes turned economic partners, established full diplomatic relations Tuesday in a simple ceremony here.

"I'm pleased to be present at this historic event," South Korean Foreign Minister Yi Sang-ok told his Vietnamese counterpart, Nguyen Manh Cam, after they signed a joint statement.

The accord gives two countries full embassies in each other's capitals, where they set up liaison offices earlier this year. Hanoi will maintain its embassy to North Korea, a traditional communist ally, Vietnamese officials said.

The move leaves the United States alone in its policy of economic and diplomatic isolation of Hanoi. Japan, another close U.S. Asian ally, resumed large-scale government lending to Vietnam last month.

Commentary Views Ties With ROK

BK2212123192 Hanoi Voice of Vietnam in English 1000 GMT 22 Dec 92

[Station Commentary]

[Text] Vietnam and the Republic of Korea signed a joint statement on the establishment of diplomatic relations between the two countries on the occasion of the official visit to Vietnam of Foreign Minister Yi Sang-ok. Speaking at the signing ceremony, Vietnamese Foreign Minister Nguyen Manh Cam said:

[Begin Nguyen Manh Cam recording in Vietnamese fading into English translation] The establishment of diplomatic relations between Vietnam and the Republic of Korea opens a new stage in the bilateral ties. [Words indistinct] the government, the liaison offices will be upgraded into embassies. This is a firm basis for long-term development of bilateral relations. With our potentials we will supplement each other to contribute to the development of each country and to peace and stability in the region. The two sides must strive to carry out the wishes of the people of each country as well as those in the region. [end recording]

Speaking at the ceremony, Foreign Minister Yi Sang-ok said:

[Begin Yi Sang-ok recording in Korean fading into English translation] I am truly honored to be present at this historic moment at the signing of the joint statement on the establishment of diplomatic relations between Vietnam and the Republic of Korea. I think that this is not only in the interests of the two states of Vietnam and the Republic of Korea, but also an important landmark of peace and for prosperity of the Asian-Pacific countries. The relations between Vietnam and the Republic of Korea have developed in many fields. Liaison offices of the two countries were set up in Hanoi and Seoul. Yesterday's [as heard] signing, official diplomatic relations were established. [end recording]

Trade turnover between the two countries has increased rapidly. It was more than \$200 million in 1991 as against \$80 million by 1989. It is expected that in 1992 it will double that of 1991. By now, businessmen of the Republic of Korea invested in 20 projects in Vietnam with a total prescribed capital of nearly \$200 million. Exchanges of [words indistinct] have also been increased.

The visit to Vietnam this time of Foreign Minister Yi Sang-ok will contribute to further strengthening the cooperative relations between Vietnam and the Republic of Korea, particularly in the fields of economy, trade, and interests of the two peoples for peace, stability, and development in the region.

Reportage on National Assembly Second Session

Vo Van Kiet Speaks 19 Dec

BK2112104192 Hanoi Voice of Vietnam Network in
Vietnamese 1100 GMT 19 Dec 92

[Report on "main points" of Prime Minister Vo Van Kiet's speech on issues related to the socioeconomic situation delivered at the 19 December proceedings of the Ninth National Assembly's Second Session—read by announcer]

[Text] 1. Concerning the assessment of Vietnam's present socioeconomic situation, Prime Minister Vo Van Kiet said: The recent achievements scored by Vietnam have opened up a new socioeconomic situation in the country. We have asserted our determination to attain success in our tasks while realizing numerous difficulties to be overcome, including our weaknesses and shortcomings, especially in various social issues. We have also realized the complicated situation in the international relations and are mapping out a plan to cope with the arising problems. It can be said that the favorable economic condition we have had today was due not only to our efforts in 1992, but also to our great efforts in the past several years, including the implementation of the renovative lines and policies. It was also due to our efforts in improving the management mechanism and the building of material-technical bases as well as the positive implementation of our open-door foreign policy. These factors have created a high sense of responsibility in our society to continue to implement the renovation undertaking. They have also helped to create the seething impetus among our people to work enthusiastically; to develop the dynamism and creativity of various sectors, localities, and grass-roots units, and to win support and assistance from foreign countries. Although these achievements are initial, yet it is obvious that our nation's pace of development is better than that in the past several years.

2. Regarding some concrete issues in the draft 1993 socioeconomic development plan, Prime Minister Vo Van Kiet stressed: The 1993 socioeconomic development plan has been formulated on the basis of the strategy of socioeconomic stabilization and development until the year 2000 which is aimed at implementing the party platform for national construction, especially the 1991-95 five-year plan already approved by the National Assembly. As a result, we cannot separate the 1993 tasks from those in the past and ensuing years. Thus, various tasks related to the management mechanism, the building of material-technical bases, development of the economy, and other social welfare activities designed for this year and 1993 are aimed at meeting the immediate requirements to improve conditions in the ensuing years. For instance, the building of more electric power plants and roads, the implementation of the greenery plan in fallow land and bare hill areas, and so forth are designed for this purpose. As a result, investment plans must be formulated for various key projects. It is normal that the

development of natural resources and the economy is not in parallel. As a result, we must focus attention on various key tasks to develop economic sectors and zones that have great potential for achieving progress and attaining high economic results. Only by achieving this will we be able to attain wealth and the capability to assist other zones to comprehensively develop the national economy. Moreover, each province and district must also concentrate their efforts on developing their potentials.

During the past several years, the party and state have paid close attention to expanding investment in and formulating policies on the mountain provinces and areas of ethnic minorities to meet their urgent requirements. Allocations of capital to localities, especially the mountain provinces, have increased. The main budget sources in mountain provinces have been provided by the central government. On the average, their budgets are higher than those in the delta and midlands provinces. However, we have experienced a setback in the implementation of many urgent tasks. For instance, the supply of iodine and the treatment of malaria, goiter, and dysentery and so forth have been carried out too slowly. These are shortcomings of the ministries concerned in particular and of the government, in general.

We must admit, however, that due to the low economic potentials of the mountain regions, results in various tasks that have been or are being carried out cannot satisfactorily meet the current requirements in the regions.

Economic, cultural, and social plans have been mapped out more carefully for 1993. Only by focusing on the aforesaid main points can we muster strength to help the mountainous regions.

The government always realizes that the issue concerning agriculture and rural areas is one of strategic importance. Therefore, preparations are being made so that by early 1993 we can review this issue and define policies and measures for the days ahead.

The planning of crop allocation in our agricultural production—which in the past was arranged under a system affected by bureaucratic centralism and subsidy-based management—has now been compelled to shift to a market-oriented mechanism. As a result, the search for markets has become a burning question. To ensure a market for our products, we must increase our marketing ability and know how to closely follow and forecast the situation of that market.

We must also go by the demands of the market to undergo vigorous changes in planning crop allocation and applying advanced science technology to improve product quality, particularly through processing, in order to enhance the value of our export goods and farm products. This is an essential process.

Carrying out agricultural production according to crop seasons and at a time when the prices of export farm

products in the world are undergoing changes, it is necessary to raise the question of price subsidies.

Regarding the management of state-run enterprises, decision no. 217 promulgated in November 1987 on renovating planning and accounting work in state-run enterprises was aimed at concretizing the Sixth Party Central Committee's third plenum resolution. This decision had had some positive effects on the situation during that period. So far, as many as 39 documents have been released to revise the contents of decision no. 217. These include two laws and three regulations promulgated by the National Assembly and the Council of State and 34 law-governing documents promulgated by the Council of Ministers and its chairman.

It can be said that almost all the irrational contents of decision no. 217 have been revised or supplemented. Efforts are now being made to continue preparing a number of legal documents related to the management of state-run enterprises to submit them to the National Assembly for enforcement. These include the law on state business and the law on bankruptcy.

Efforts are also being made to arrange and strictly supervise all state-run enterprises in order to finish their reregistration. The experiment on the application of the shareholding system has been carried out slowly in certain aspects. Closer and more intensive guidance should be provided for the experiment on the application of the shareholding system, which remains somewhat slow. However, it is also necessary to carry out the experiment in a way that allows us to gain experience because this is a new and painfully complicated issue.

3. Responsibilities of state agencies at all levels in performing socioeconomic tasks.

Prime Minister Vo Van Kiet said: In their speeches dealing with socioeconomic issues, many National Assembly deputies presented lofty views, which had stemmed from realities among various sectors and localities.

Meanwhile, it is necessary to point out that there are localities that have the full responsibility and authority to solve many socioeconomic problems but still fail to do so. For instance, they allow losses to occur in various sources of state revenue; invest in things that are not really necessary or are beyond the necessary level while paying less attention to helping the compatriots in mountainous, rural, or remote areas; take a less active part in discovering and punishing smugglers and those practicing corruption and checking social vices, such as lavish spending and the waste of public property. The TUOI TRE [YOUTH] journal on 15 December carried a report on a case of debauchery to such an extent that people could not even imagine.

It is the responsibility of National Assembly deputies who are currently engaged in administrative work—those who serve as the people's representatives with

responsibility in the state machinery—to keep themselves in close contact with the people so as to solve immediately problems that are within their reach and under their jurisdiction in localities.

Communique No 9

BK2112151192 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 21 Dec 92

[“Communique No. 9 of the Ninth National Assembly's Second Session”]

[Text] On 21 December, the National Assembly held its plenary session at the conference hall under the chairmanship of National Assembly Vice Chairman Phung Van Tuu.

In the morning, on behalf of the Law Drafting Committee, the standing body of the Judiciary Committee, and the National Assembly Secretariat, Minister of Justice Nguyen Dinh Loc presented a report on the revised draft bills amending and supplementing a number of articles of the criminal code and the law on criminal procedures, after gathering the views contributed by National Assembly deputies.

Next, the National Assembly continued to deliberate some articles of these two draft bills, on which views were still at variance, and then voted to approve them.

In the afternoon, on behalf of the Law Drafting Committee, the standing body of the Judiciary Committee, and the National Assembly secretariat, Dau Ngoc Xuan, minister and Head of the State Committee for Cooperation and Investment, presented a report on the revised draft bill supplementing a number of articles of the Law on Foreign Investment in Vietnam, after gathering views contributed by National Assembly deputies.

Next, the National Assembly continued to deliberate some articles of this draft bill, on which views were still at variance, and then voted to approve them.

22 Dec Proceedings

BK2212062992 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 22 Dec 92

[Text] The Ninth National Assembly held its 12th working day this morning. National Assembly Chairman Nong Duc Manh, on behalf of the National Assembly, warmly welcomed the 48th anniversary of the founding of the Vietnam People's Army and the All-People's National Defense Day. The National Assembly hopes that all soldiers of the Armed Forces will continue with the revolutionary tradition of the heroic Vietnam's People Army to accomplish the construction and protection of the Vietnamese socialist fatherland.

After that, Comrade Nguyen Van Yeu, on behalf of the National Assembly Secretariat, read the full text of the draft bills on amending and supplementing a number of articles of the Criminal Code and the Law on Criminal

Legal Proceedings. The deputies discussed, contributed views, and voted to pass the two draft bills on amending and supplementing of the Criminal Code and the law on Criminal Legal Proceedings.

This afternoon at the Conference Hall, the National Assembly will continue to listen to the draft bill on amending and supplementing a number of articles of the Law on Foreign Investment in Vietnam and to plan for law formulation work in 1993.

Premier Briefs Media

BK2212113592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Dec 92

[Report on news conference held by Prime Minister Vo Van Kiet at Ninth National Assembly session at the Ba Dinh Conference Hall in Hanoi during a "between-session break on the morning of 17 December"—recorded]

[Text] [Unidentified reporter] Could you tell us of difficulties the government may have and its objectives for 1993?

[Vo Van Kiet] Our greatest challenge in 1993 is how to continue to renovate the country based on what has been obtained so as to achieve further development. We will have to successfully contain and prevail over inflation, in an effort to exceed our 1992 achievements. We will have to create stability for continued development. The year 1993 will be one in which we will strive to promote the growth of the state business system as well as other economic sectors. In other words, we should strive to effect a significant change for the better in this domain if we are to promote an atmosphere of cooperation for development. We should gradually put the state management system onto the right track with regard to both internal and external activities. Our greatest concern is how to ensure that our top-to-bottom management system, which reflects our efforts to broaden democracy, is accompanied by suitable policies. In this respect, I rely on your capabilities and creativity and you should strive to develop these to the fullest. Democratic liberties should be promoted but we definitely need democratic centralism. In 1993, our objective is to achieve development in various domains—economic, social, and cultural—as already pledged before the National Assembly.

[Unidentified correspondent from the journal YOUTH] Could you speak about the performance of the government apparatus since the first session of the Ninth National Assembly?

[Vo Van Kiet] Since the first session of the Ninth National Assembly, some changes for the better have been noted in the relations between higher and lower echelons and in the enforcement of various orders given by the government as well as by the prime minister himself.

[Unidentified correspondent] During the time when the National Assembly is in session, the public appears to be very happy with and interested in the news that wages are to be restructured in 1993. The public is afraid, however, that wage reform may entail a price increase. Is there any way we can guarantee the success of this wage reform?

[Vo Van Kiet] We have made careful preparations for this wage reform and have weighed its pros and cons, trying to ensure that actual take-home pay will not be reduced after the reform. In the past, whenever there was an increase in allowances, prices would immediately increase, thus causing the real value of the new wage to become smaller. This has given accounting experts a headache. Now we have more unfavorable conditions than before. We should carry out wage reform in a step-by-step and cautious fashion. Therefore, we have decided that in 1993, we should take some steps forward to ensure the effect of our action. If prices increase too much following a wage increase, not only would the wage increase be meaningless to recipients but more unfavorable conditions would also result. Yours is a very good question. We are trying hard to make this wage reform work.

[Unidentified correspondent] Could you speak frankly about the most fundamental measures to fight corruption?

[Vo Van Kiet] So you, comrade, are also concerned about this matter. I can say that the fight against corruption has produced some results and has not been as ineffective as some may think. This fight is made possible thanks to the collective efforts of various sectors and echelons, including law enforcement organs and information and press agencies. This matter is a long-existing one and cannot be eliminated overnight. It will take time. We have achieved ever-greater unanimity of views from among the party and from higher echelons. This is of decisive significance for efforts to contain and dispel corruption. We should deal with this matter harmoniously, consistently, and decisively without hesitation. Only through process can we produce good results.

[Unidentified correspondent] Will anyone be purged as a result of the prime minister's directive on the fight against smuggling?

[Vo Van Kiet] It is certain that a number of cadres, including high-ranking ones, will be purged for involvement in this matter. In the past, not many of them have been made to face disciplinary administrative action. In doing this, there should be a high sense of determination on the part of the party and of our top leaders. I can tell you, comrade, that this determination has been relatively visible.

[Unidentified correspondent] If for some reason the United States continues its embargo against Vietnam, what position should we take?

[Vo Van Kiet] We have anticipated this situation for a few years now. Chances are that the United States will de-escalate the embargo step by step or lift it completely prior to the 20 January presidential inauguration. The third possibility is that the United States will continue the embargo.

If the United States carries on its embargo at its current level, we will continue to steadily move toward increasingly broadening our relations with many countries. We now have better conditions to further broaden such relations. Therefore, the embargo, though creating some impediments to us, is in no way an unsurmountable obstacle. It is wrong to say that a continued embargo will make it impossible for us to stand on our own feet. We have been able to stand firmly on our own feet even after the collapse of the Soviet Union. In this case, if we stand where we are, it still means we are making headway. While making headway, we will have to overcome these difficulties. We should find a way to overcome difficulties if we are to move forward. It is totally wrong to think that we cannot move forward because of a continued U.S. embargo. We will have difficulty moving forward only if the internal or regional situation is unstable. The internal or regional situation is a very decisive factor in our efforts to move forward.

NHAN DAN Views Thai Minister's Upcoming Visit

BK2212070992 Hanoi VNA in English 5212 GMT 22 Dec 92

[Text] Hanoi VNA Dec.22—On the occasion of the forthcoming visit to Vietnam by His Excellency Prasong Sunsiri, foreign minister of Thailand, the national daily NHAN DAN today runs an article reviewing the recent rapid development of the relations between the two countries.

The article says :

'Thailand and Vietnam are close neighbours. Recently, many high-level delegations of the two countries have paid mutual visits to discuss outstanding issues and enhance bilateral cooperation for the prosperity of both countries.

'Initial results have been recorded in the implementation of agreements signed between the two countries including agreements on commerce and economic and technical cooperation, on aviation, on the establishment of a joint commission on economic cooperation, and on investment promotion and guarantee. Two-way trade value increased to 140 million U.S. dollars in 1992 from 100 million in 1990 and by tenfold compared with 1988. By November this year, 28 Thai-invested projects with a total investment capital of 61.8 million U.S. dollars had been licensed in Vietnam. [no closing quotation mark as received]

By potentials in bilateral economic and commercial cooperation remains Vietnam and Thailand, both agricultural countries, can increase cooperation in this field. During the Vietnam visit last February, the chairman of the Thai C.P. Group suggested cooperation in the growing of maize and soyabean, raising of shrimps and poultry construction of animal feed processing factories and refrigerating factories, with a view to raising Vietnam's maize production from 800,000 tonnes/year to one million tonnes/year and poultry meat export to 30,000 tonnes/year. The Thai commerce minister proposed that the two countries set up joint ventures in rice export and fisheries in the private sector with state support. Chatchai Chounhawan H.E. ex-prime minister of Thailand and Thai businessmen accompanying him during a current visit which took place shortly after the visit of Thai Crown Prince Wachiralongkon, expressed their desire to invest in Vietnam. The two countries are negotiating a series of agreements on double taxation avoidance, fisheries, post and telecommunication and tourism.

Thai leaders have once again reaffirmed Thailand's foreign policy of promoting relations with neighbouring countries including Vietnam. Foreign Minister Prasong Sunsiri's visit this time aims to continue efforts for the development of the friendship and cooperation between the two countries, contributing to peace, stability and development in Southeast Asia.

General Writes on Role of People's Army

BK2212022692 Hanoi VNA in English 1351 GMT 21 Dec 92

[Text] Hanoi VNA Dec. 21—Firmly grasping the party's guideline and President Ho Chi Minh's military thought, we will surely succeed in building a powerful all-people defence and people's army with a big integrated strength and great fighting capacity to meet the requirements of the new stage, wrote Senior Lieutenant General Le Kha Phieu, secretary of the party CC [Central Committee] and head of the General Political Department of the VPA [Vietnam People's Army] in the daily NHAN DAN today making the 48th anniversary of the Vietnam People's Army (Dec. 22). He went on: Faced with complicated development in the international and domestic situation the VPA has demonstrated its firm political stance and its persistence in the socialist objectives and ideal, and has fulfilled with flying banner the tasks assigned it by the party, the government and the people. A historic mission of crucial importance of our people at present is to successfully build socialism and firmly defend the socialist motherland. The party's programme adopted at the seventh party congress clearly pointed out: 'While making it the foremost task of building the country, our people must constantly sharpen their vigilance, consolidate national defense, maintain political security and social order and safety, and defend the motherland and safeguard our revolutionary gains'.

'We have to simultaneously carry out the two strategic tasks of socialist construction and national defense. This is an objective demand and the law of existence and development of our nation over the past thousands of years of history. Building the country must go along with defending the country that is the watchword bequeathed by our ancestors'. Le Kha Phieu went on: 'To be worthy of being the nucleus in the consolidation of national defence and the safeguarding of the homeland, our army must continue to build up into a revolutionary, regular and modern army with high combat skill. We must focus

on raising our army's integrated quality and fighting capacity with political build-up as the basis in order to make our army political firm in all circumstances. [sentence as received] We must train our army politically and ideologically, improve its cultural standard, train it technically and tactically on the pattern of a regular army, ensure effective maintenance and use of weaponry and equipment, develop the scientific and technical potentials of the army in collaboration with other scientific and technical branches of the country so as to continually raise the scientific and technical standard of our army.'

Australia

New Treaty Reduces Japanese Fishing Access

*BK2112072692 Melbourne Radio Australia in English
0500 GMT 21 Dec 92*

[Text] Japanese access to Australia's rich tuna fishing waters is to be reduced further. A new treaty signed in Melbourne today will see tighter controls on Japanese tuna boats and a cutback in areas of the Australian fishing zone available to them. Japan will also pay a fee to Australia of almost \$3.8 million in the next financial year for access, which the federal government says reflects the high value of tuna taken from Australian waters. The reduction should allow an expansion of the Australian tuna fishing fleet. Japan has also agreed to provide data on its high seas fishing operations to Australia to improve research on stocks.

Scientists Fail To Contact PRC-Launched Satellite

*BK2212010092 Hong Kong AFP in English 0046 GMT
22 Dec 92*

[Text] Sydney, Dec 22 (AFP)—Scientists have failed to establish contact with Australia's Optus B2 communications satellite launched from a site in Xichang, China on Monday, mission control in Sydney said Tuesday.

The cause of the problem has not yet been determined and efforts to locate and contact the satellite are continuing, it said in a statement.

The control centre, at Belrose in suburban Sydney, had expected to be able to establish contact almost five hours after the launch.

Contingency plans were in place to deal with the possible failure of the satellite, and to continue the provision of service to customers, the statement added.

"Belrose mission control expected to be able to pick up the first telemetry signals from B2 via the Allan Park

satellite control station in Canada around 3 a.m. (1600 GMT Monday) today, but was unable to do so," the statement said.

The satellite, built by Optus Communications, was launched from the Xichang rocket base at 10.20 Australian Eastern time (1120 GMT) on Monday.

Optus said mission control staff were expecting to receive signals about 14 hours after launch, and over the following seven days, would maneuver it to its final test orbit position, Optus said.

Once in place, the satellite's antenna system and solar wings, which were stowed during the launch, would be extended.

Optus B2, the fifth Australian satellite to be placed in orbit, is capable of carrying a variety of Australian telecommunications traffic, including telephone calls, computer data and a forthcoming pay television service.

Its twin, Optus B1, was fired from the same site at a second attempt in August to replace the aging A1 satellite. B2 would replace A2 when in-orbit tests were complete, the company said.

A1 and A2 had been in service since 1985.

An intensive two-month testing program would then prepare the satellite for commercial service in place of the A2 satellite.

Optus Chief Operating Officer, Ian Boatman, said the launch was a tribute to both Australian engineering and international co-operation with U.S. satellite manufacturers Hughes Aircraft Corp. and the Chinese space program.

"Optus B2 is one of the most advanced telecommunications satellites in use in the world today, with much higher power transponders and a much greater capacity than the satellites it is replacing," Boatman said.

"It complements Optus' fibre optic network and fully digital switching, also the most advanced available.

The official XINHUA NEWS AGENCY said Monday that a Chinese Long March rocket carried the Optus B2 satellite into space from the Xichang launching centre in southwestern Sichuan Province.